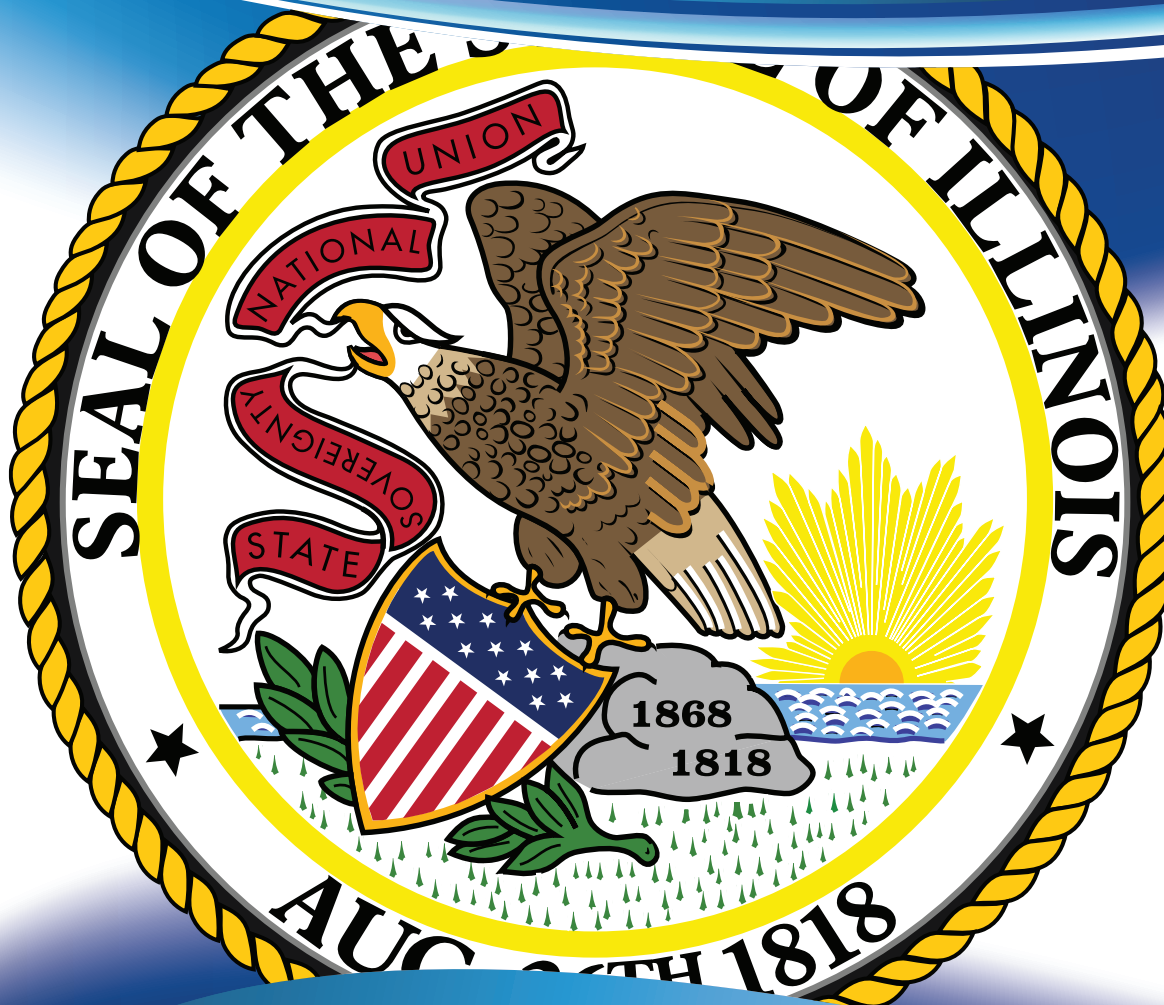




# 2014 Illinois Annual Economic Report





# **Illinois Economic Analysis Report**

June 2014

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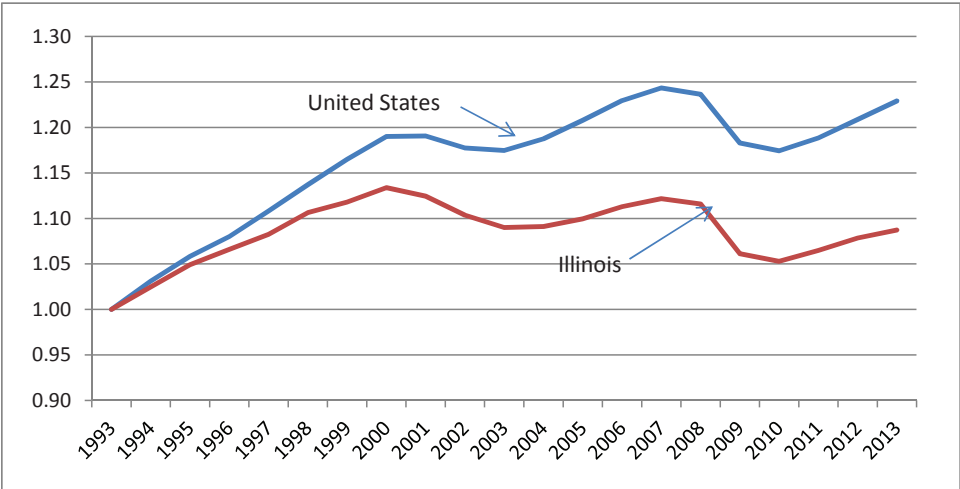
# Table of Contents

|  |         |
|--|---------|
| <b>Section A. Economic Analysis of Illinois with Comparison to the United States</b>                                   | Page 1  |
| Comparison of Population and Workforce Characteristics for Illinois and U.S.   | Page 4  |
| <b>Section B. Demographic and Economic Factors Behind Declining Labor Force Participation in Illinois and the U.S.</b> | Page 6  |
| Labor Force Participation Fails to Rebound after the Great Recession   | Page 6  |
| The Aging of the Workforce in Illinois and the U.S.  | Page 7  |
| Labor Force Participation Rises for the Oldest Population but Declines for Younger Age Groups                          | Page 8  |
| Employment Losses Explain Most of Decline in Labor Force Participation   | Page 9  |
| Conclusion   | Page 10 |
| <b>Section C. Review of Sub-State Areas (Categorizations of LWIAs for Illinois)</b>                                    | Page 11 |
| Targeted Populations, Critical Industries and Occupations  | Page 11 |
| Definition of Sub-State Areas  | Page 13 |
| Descriptions of LWIACATs   | Page 14 |
| Analyses of Economic Data for Illinois and Sub-State Areas   | Page 15 |
| Changes in Actual Employment   | Page 15 |
| Changes in Actual Wages  | Page 17 |
| Changes in Projected Employment  | Page 19 |
| Wages, Earnings Distribution, and Income   | Page 21 |
| Demographics of Illinois and Sub-State Population  | Page 23 |
| Characteristics of Work Population   | Page 24 |
| Barriers to Work   | Page 27 |
| Conclusion   | Page 31 |
| <b>Section D. Sub-State Industry Short Stories</b>   | Page 32 |
| Horizontal Hydraulic Drilling  | Page 32 |
| Champaign-Urbana MSA - A Growing Technology Center in the State of Illinois  | Page 32 |
| Wine Industry  | Page 33 |
| Rockford Area Manufacturing Helps Transport the World  | Page 33 |
| <b>Endnotes</b>  | Page 34 |



# Section A. Economic Analysis of Illinois with Comparison to the United States

**Exhibit A1. Total Nonfarm Employment for U.S. and Illinois – Ratio to 1993 Employment Level**



Data Sources: Current Employment Statistics (CES), Illinois Department of Employment Security (IDES), Bureau of Labor Statistics (BLS), Haver Analytics

In recent decades overall employment in Illinois (and the Midwest overall) has grown at a slower pace than the national average. **Exhibit A1** charts the two total nonfarm employment series (Current Employment Statistics (CES) data) for the U.S. and Illinois, normalized using 1993 data values over the

time period 1993 through 2013. The paths of the two normalized series have diverged since the early portion of this range showing the difference in the rate of growth while the gap between the two series continued to expand through 2013.

An analysis of the industry employment shifts behind this divergence can be done using CES data separated by industry sector. Data in **Exhibit A2** (on the following page) show the proportional shares of employment for the major industry sectors in 1993, 2003, and 2013 for both Illinois and the United States. The data table in **Exhibit A3** (on the following page) shows the differences in proportional share of employment and the percentage change in employment



## Exhibit A2. Industry Proportional Share of Total Employment for U.S. and Illinois (1993, 2003, and 2013)

| Illinois                  |                    |                    |                    |
|---------------------------|--------------------|--------------------|--------------------|
| Nonfarm Employment        | 5,331,183          | 5,810,892          | 5,796,742          |
|                           | 1993               | 2003               | 2013               |
|                           | Proportional Share | Proportional Share | Proportional Share |
| Mining                    | 0.3%               | 0.2%               | 0.2%               |
| Construction              | 3.8%               | 4.7%               | 3.3%               |
| Manufacturing             | 16.1%              | 12.3%              | 10.0%              |
| Trade/Trans./Utilities    | 21.4%              | 20.4%              | 20.1%              |
| Information               | 2.5%               | 2.2%               | 1.7%               |
| Financial Activities      | 7.2%               | 6.9%               | 6.4%               |
| Professional & Bus. Serv. | 11.3%              | 13.4%              | 15.2%              |
| Educ. & Health Serv.      | 11.2%              | 12.4%              | 15.1%              |
| Leisure & Hospitality     | 7.8%               | 8.6%               | 9.4%               |
| Other Services            | 4.0%               | 4.4%               | 4.3%               |
| Government                | 14.5%              | 14.7%              | 14.3%              |

| United States             |                    |                    |                    |
|---------------------------|--------------------|--------------------|--------------------|
| Nonfarm Employment        | 110,937,167        | 130,314,917        | 136,362,583        |
|                           | 1993               | 2003               | 2013               |
|                           | Proportional Share | Proportional Share | Proportional Share |
| Mining                    | 0.6%               | 0.4%               | 0.6%               |
| Construction              | 4.3%               | 5.2%               | 4.3%               |
| Manufacturing             | 15.1%              | 11.1%              | 8.8%               |
| Trade/Trans./Utilities    | 20.2%              | 19.4%              | 19.0%              |
| Information               | 2.4%               | 2.4%               | 2.0%               |
| Financial Activities      | 6.1%               | 6.2%               | 5.8%               |
| Professional & Bus. Serv. | 10.4%              | 12.3%              | 13.6%              |
| Educ. & Health Serv.      | 11.1%              | 12.9%              | 15.5%              |
| Leisure & Hospitality     | 8.8%               | 9.3%               | 10.4%              |
| Other Services            | 3.9%               | 4.1%               | 4.0%               |
| Government                | 17.1%              | 16.6%              | 16.0%              |

*Data Source: Current Employment Statistics (CES), Illinois Department of Employment Security (IDES), Bureau of Labor Statistics (BLS), Haver Analytics*

level by industry sector for both Illinois and the United States for the 10-year periods of 1993-2003 and 2003-2013, as well as the entire 20-year period of 1993-2013.

During the period of 1993-2003 significant positive overall employment changes were seen for both Illinois and the U.S. This occurred even though mining and manufacturing had significant negative impacts to employment during the same time. Manufacturing had a much larger proportional share of employment (fell from 16.1 percent to 12.3 percent in Illinois and fell from 15.1 percent to 11.1 percent in the U.S.) in both the state and national economies and so its impact was felt more broadly. Manufacturing continued with the losses in employment (fell from 12.3 percent to 10.0 percent in Illinois and fell from 11.1 percent to 8.8 percent in the U.S.) over the 2003-2013 timeframe both statewide and for the nation.

## Exhibit A3. Change in Industry Proportional Share (1993-2003, 2003-2013, 1993-2013)

|                    | Illinois                  |                       |                           |                       |                           |                       |
|--------------------|---------------------------|-----------------------|---------------------------|-----------------------|---------------------------|-----------------------|
|                    | 1993-2003                 |                       | 2003-2013                 |                       | 1993-2013                 |                       |
|                    | Proportional Share Change | % Change in Emp Level | Proportional Share Change | % Change in Emp Level | Proportional Share Change | % Change in Emp Level |
| Total Nonfarm      |                           | 9.0%                  |                           | -0.2%                 |                           | 8.7%                  |
| Mining             | -0.1%                     | -37.3%                | 0.0%                      | 2.8%                  | -0.1%                     | -35.5%                |
| Constr.            | 0.9%                      | 35.1%                 | -1.4%                     | -30.6%                | -0.5%                     | -6.3%                 |
| Mfg.               | -3.9%                     | -17.0%                | -2.3%                     | -18.9%                | -6.1%                     | -32.7%                |
| Trade/Trans./Util. | -1.0%                     | 3.9%                  | -0.3%                     | -1.6%                 | -1.3%                     | 2.3%                  |
| Info.              | -0.3%                     | -3.9%                 | -0.5%                     | -22.5%                | -0.8%                     | -25.5%                |
| Fin. Act.          | -0.3%                     | 5.1%                  | -0.6%                     | -8.2%                 | -0.8%                     | -3.6%                 |
| Prof. & Bus. Serv. | 2.1%                      | 29.1%                 | 1.9%                      | 13.6%                 | 3.9%                      | 46.6%                 |
| Ed. & Hlth. Serv.  | 1.2%                      | 20.8%                 | 2.8%                      | 22.0%                 | 4.0%                      | 47.4%                 |
| Leis. & Hosp.      | 0.8%                      | 19.8%                 | 0.9%                      | 9.7%                  | 1.6%                      | 31.5%                 |
| Oth. Serv.         | 0.4%                      | 20.0%                 | -0.1%                     | -1.4%                 | 0.3%                      | 18.3%                 |
| Gov't.             | 0.1%                      | 10.1%                 | -0.4%                     | -2.8%                 | -0.2%                     | 7.0%                  |

|                    | United States             |                       |                           |                       |                           |                       |
|--------------------|---------------------------|-----------------------|---------------------------|-----------------------|---------------------------|-----------------------|
|                    | 1993-2003                 |                       | 2003-2013                 |                       | 1993-2013                 |                       |
|                    | Proportional Share Change | % Change in Emp Level | Proportional Share Change | % Change in Emp Level | Proportional Share Change | % Change in Emp Level |
| Total Nonfarm      |                           | 17.5%                 |                           | 4.6%                  |                           | 22.9%                 |
| Mining             | -0.2%                     | -14.1%                | 0.2%                      | 51.7%                 | 0.0%                      | 30.3%                 |
| Constr.            | 0.9%                      | 40.9%                 | -0.9%                     | -13.5%                | 0.0%                      | 22.0%                 |
| Mfg.               | -4.0%                     | -13.5%                | -2.3%                     | -17.3%                | -6.3%                     | -28.4%                |
| Trade/Trans./Util. | -0.8%                     | 13.0%                 | -0.4%                     | 2.3%                  | -1.2%                     | 15.6%                 |
| Info.              | 0.0%                      | 19.5%                 | -0.5%                     | -15.8%                | -0.4%                     | 0.6%                  |
| Fin. Act.          | 0.1%                      | 19.8%                 | -0.4%                     | -2.5%                 | -0.3%                     | 16.9%                 |
| Prof. & Bus. Serv. | 1.9%                      | 39.1%                 | 1.3%                      | 16.1%                 | 3.3%                      | 61.5%                 |
| Ed. & Hlth. Serv.  | 1.8%                      | 36.0%                 | 2.6%                      | 25.6%                 | 4.3%                      | 70.7%                 |
| Leis. & Hosp.      | 0.6%                      | 25.1%                 | 1.1%                      | 17.0%                 | 1.7%                      | 46.4%                 |
| Oth. Serv.         | 0.2%                      | 24.1%                 | -0.1%                     | 1.2%                  | 0.1%                      | 25.6%                 |
| Gov't.             | -0.6%                     | 13.6%                 | -0.5%                     | 1.3%                  | -1.1%                     | 15.1%                 |

*Data Source: Current Employment Statistics (CES), Illinois Department of Employment Security (IDES), Bureau of Labor Statistics (BLS), Haver Analytics*

Mining employment in Illinois stabilized (2.8 percent increase in employment level) in 2003-2013 while the industry rebounded with large gains (51.7 percent increase in employment level) nationally. The large employment gains nationally appear to be coming from mining support activities such as exploration and well drilling, as well as oil and gas extraction. Although Illinois may be starting to see some employment growth in these industries, the state is lagging behind the growth already seen nationally.

Construction employment showed good growth (rose from a 3.8 percent to a 4.7 percent share in Illinois and rose from a 4.3 percent to a 5.2 percent share for the U.S.) throughout the first 10-year period (1993-2003) for both Illinois and the nation but went into a decline in the second 10-year period. Employment declines (share fell from 4.7 percent to 3.3 percent) in Illinois almost matched the gains seen in the first period. The nation only lost about 1/3 of the employment gains (although the share fell from 5.2 percent to 4.3 percent) from the first period to the second period. The difference in the changes is due in large part to the continuing population shift of the country from the Northeast and Midwest toward states in the South and West.

Trade, transportation, and utilities had the largest employment for any sector in this analysis. Overall this industry has positive changes in employment levels for both Illinois and the nation although the increase is much more significant for the country as a whole. This industry actually lost some proportional share for Illinois even though it had a small gain in employment over the 20-year period. It also lost proportional share nationally but had much larger gains in employment than did Illinois.

Professional and business services had significant increases in employment and proportional share for both 10-year periods and across the 20-year period for both Illinois and the U.S. (increase in employment levels over twenty years was 46.6 percent for Illinois and 61.5 percent for the nation). Both also had increases in proportional share (3.9 percent for Illinois and 3.3 percent for the U.S.). Two other industry sectors shared this outcome.

Education and health services had significant employment growth over the 20-year period for both Illinois and the U.S. (47.4 percent for Illinois and 70.7 percent for the U.S.). Increases in proportional share were also large (4.0 percent for Illinois and 4.3 percent for the U.S.). Leisure and hospitality employment grew for both geographies over the 20-year period as well (31.5 percent for Illinois and 46.4 percent for the U.S.). Both also had significant increases in

proportional share (1.6 percent for Illinois and 1.7 percent for the U.S.).

The information sector lost proportional share (-0.8 percent) in Illinois over the 20-year period, as well as suffering significant (-25.5 percent) employment losses. The sector also lost proportional share (-0.4 percent) for the nation, while having a small gain (0.6 percent) in employment for the 20-year period.

Employment in the financial activities sector increased from 1993 to 2003 (5.1 percent for Illinois and 19.8 percent for the U.S.) and then decreased from 2003 to 2013 (-8.2 percent for Illinois and -2.5 percent for the U.S.). Employment levels decreased (-3.6 percent) for Illinois and increased (16.9 percent) for the nation for the overall 20-year period. Proportional share was also lost in the sector (-0.8 percent for Illinois and -0.3 percent for the United States) over the 20-year period. It appears that the primary drag on employment in this sector has been the recent financial crisis related to the most recent recession.

Government had relatively small gains in employment levels (7.0 percent for Illinois and 15.1 percent for the U.S.) over the 20-year period. Both geographies lost proportional share (-0.2 percent for Illinois and -1.1 percent for the U.S.). Over the last 10-year period Illinois had significant employment

losses in federal government and state government whereas the nation had increases in the federal, state, and local government segments.

#### Exhibit A4. Annual Percentage Growth in GDP, U.S. and Illinois



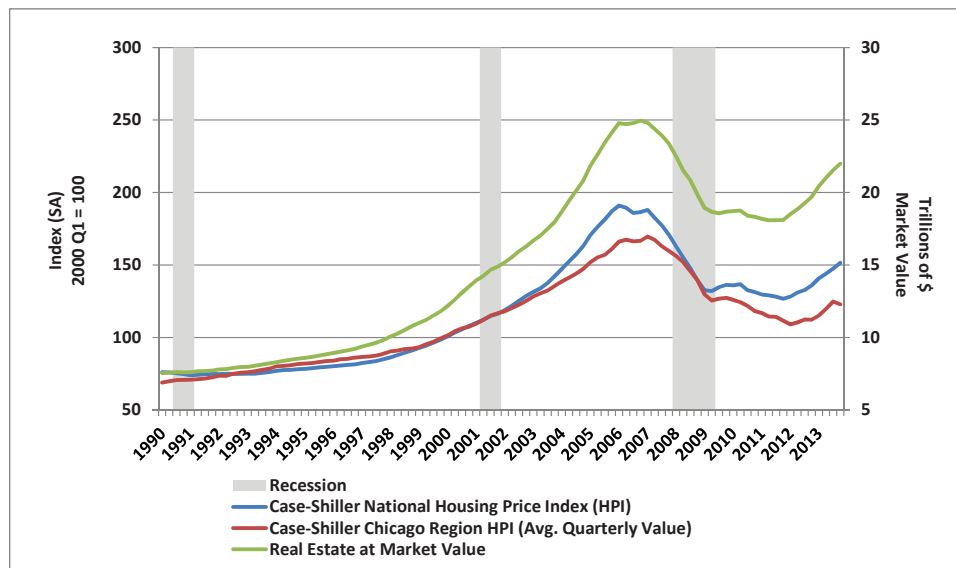
Data Source: Bureau of Economic Analysis (BEA), Haver Analytics

GDP data is used to calculate the annual percentage growth in GDP since 1990. **Exhibit A4** compares the annual percentage change in GDP for the United States and Illinois confirming that the Illinois economy has traveled a similar path as the national economy with slightly less growth. Since 1995 the nation has had annual growth in GDP exceeding that of Illinois except for in 2011 when the state was slightly higher (2.1 percent for Illinois compared to 1.6 percent for the U.S.). Since 1995 the

U.S. has had an average growth rate of 2.5 percent whereas Illinois has had an average of 1.8 percent.

The housing market had a large impact on the national economy in the most recent recession. **Exhibit A5** shows that national housing prices reached their peak in early-2006, and they topped out in the Chicago metropolitan area one year later (housing price data for the Chicago metropolitan area

## Exhibit A5. Housing Price Indices for the U.S. and the Chicago Region with National Real Estate Market Value



*Data Sources: Case-Shiller, Haver Analytics, Federal Reserve Board*

is used as a proxy for Illinois data). Data from the Federal Reserve Board's Flow of Funds shows the value of real estate at market value nationally is at its peak throughout the year of 2006. The steady increase in the value of real estate market value from 1990 through 2006 is mirrored by the values of the Case-Shiller national housing price index and Chicago region housing price index. However in about 2002 the national price index does start to rise faster than the Chicago index.

It is clear that the Chicago index remains below the national index at the peak level and that both indices start to fall in 2007 after hitting their peak values. The values continue to fall until they become virtually equal in 2008. In 2009 the values separate again with the national index starting to recover before the Chicago index. The national index regains some of the value it lost while the Chicago index appears to still be in the early stages of recovery. National real estate market value appears to have regained a little more than half of the nominal

dollars it lost in the housing bust. It is important to note that the indices show general trends for broad areas in housing prices although prices may vary in local markets within those broad areas.

## Comparison of Population and Workforce Characteristics for Illinois and U.S.

Other similarities and differences in the Illinois and national economies can be seen by checking the most recent 5-year (2008-2012) data estimates (data tables included in Section C of report) from the American Community Survey (ACS). Although the state of Illinois has lagged behind the U.S. in GDP growth, the state clearly leads the nation in some workforce categories associated with a stronger economy.

The mean earnings of full-time workers in Illinois were \$61,539, or 6.3 percent higher than the \$57,906 mean earnings for the U.S. The proportion of the Illinois population (ages 25 years and over) that has at least a high school diploma (or GED) is 87.0 percent (higher than 85.7 percent for the U.S.), while the proportion of the Illinois population with at least a Bachelor's degree is 31.1 percent (higher than 28.5 percent for the U.S.). These proportions are similar

for the female population with the proportion of the Illinois female population that has at least a high school diploma (or GED) being 87.5 percent (higher than 86.4 percent for the U.S.) and the proportion of the Illinois female population with at least a Bachelor's degree at 30.9 percent (higher than 28.2 percent for the U.S.).

The higher earnings for Illinois are due in part to the occupational composition relative to the nation. Illinois' employment by occupational class is 1) 36.1 percent for management, business, science and art occupations (higher than 35.9 percent for the U.S.); 2) 17.1 percent for service occupations (lower than 17.8 percent for the U.S.); 3) 25.3 percent for sales and office occupations (higher than 24.9 percent for the U.S.); 4) 7.7 percent for natural resources, construction, and maintenance occupations (lower than 9.3 percent for the U.S.); and 5) 13.9 percent for production,



transportation, and material moving occupations (higher than 12.1 percent for the U.S.).

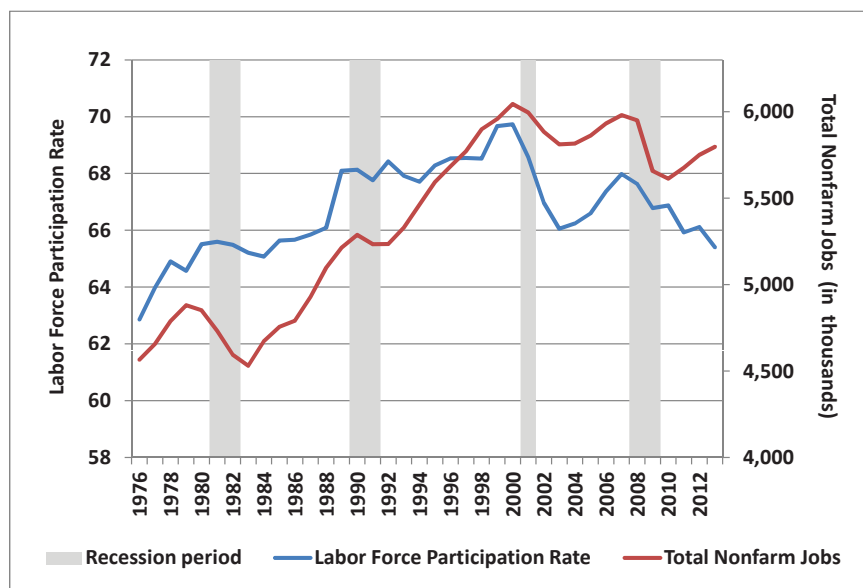
Other demographic data of interest are:

- Illinois has a lower proportion of whites – one race alone (72.5 percent compared to 74.2 percent for the U.S.), higher proportion of blacks – one race alone (14.5 percent compared to 12.6 percent for the U.S.), and lower proportion of Hispanics (15.8 percent compared to 16.4 percent for the U.S.). The state has a lower proportion of its population that is ages 55 and over (24.1 percent compared to 25.0 percent for the U.S.), and a lower proportion with a disability (10.3 percent compared to 12.0 percent for the U.S.).
- The proportion of the civilian population (ages 18 and over) in Illinois that are veterans is 7.8 percent (lower than 9.3 percent for the U.S.). 94.3 percent of the Illinois veterans are male (higher than the 92.9 percent of U.S. veterans that are male). Since veterans in the Gulf War contained a larger proportion of females, it makes sense that the proportion of Illinois’ veterans in Gulf War Era II was 8.6 percent (lower than 10.3 percent for the U.S.), and the proportion of Illinois’ veterans in Gulf War Era I was 13.2 percent (lower than 16.0 percent for the U.S.).
- A higher proportion of the Illinois population (including those of ages 5 and over) speaks a language other than English. This is due in large part to Chicago’s role as a global point of entry. The proportion of the Illinois population that speaks a language other than English is 22.2 percent, which is again higher than the U.S. proportion of 20.5 percent. The proportion of this Illinois sub-population that speak English “very well” is 12.7 percent, which is higher than the national proportion of 11.9 percent. The proportion of the Illinois group that speaks English less than “very well” is 9.5 percent, which is higher than the U.S. proportion of 8.7 percent. Other languages spoken in Illinois (primarily the Chicago metropolitan area) are Spanish, Polish, Chinese, Tagalog (spoken as a first language by a quarter of the population of the Philippines), German, Korean and others.
- Illinois has 13.7 percent of its population living below the poverty level, which is lower than the national proportion of 14.9 percent. The proportion living below the poverty level is higher when limiting the population to Illinois females, 14.9 percent, but this is still lower than the national proportion of 16.1 percent. The proportion of those living below the poverty level for those under 18 years of age is also lower for Illinois than the U.S. (19.3 percent for Illinois compared to 20.8 percent nationally) and those 65 years of age and older (8.6 percent for Illinois compared to 9.4 percent nationally). The only major one race alone category that has a higher proportion living below the poverty level for Illinois is for blacks (29.5 percent of the Illinois population lives below the poverty level compared to 26.5 percent nationally). The proportion of Hispanics living below the poverty level is also below the national percentage (20.1 percent for Illinois and 24.1 percent for the U.S.).
- Illinois workers have a tendency to commute farther to their jobs than the national average. 27.5 percent of all Illinois workers travel 25-44 minutes to work (compared to 26.1 percent of U.S. workers). The proportion of Illinois workers that travel at least 45 minutes to their jobs is 20.8 percent (15.6 percent of U.S. workers). The issue extends to those workers who utilize public transportation. The proportion of Illinois workers that travel to work and use public transportation is 8.7 percent (compared to 5.0 percent of all workers in the U.S.). 54.6 percent of Illinois workers who ride public transportation travel at least 45 minutes (compared to 52.6 percent of U.S. workers).



## Section B. Demographic and Economic Factors Behind Declining Labor Force Participation in Illinois and the U.S.

### Exhibit B1. Annual Illinois Labor Force Participation Rates and Total Nonfarm Jobs



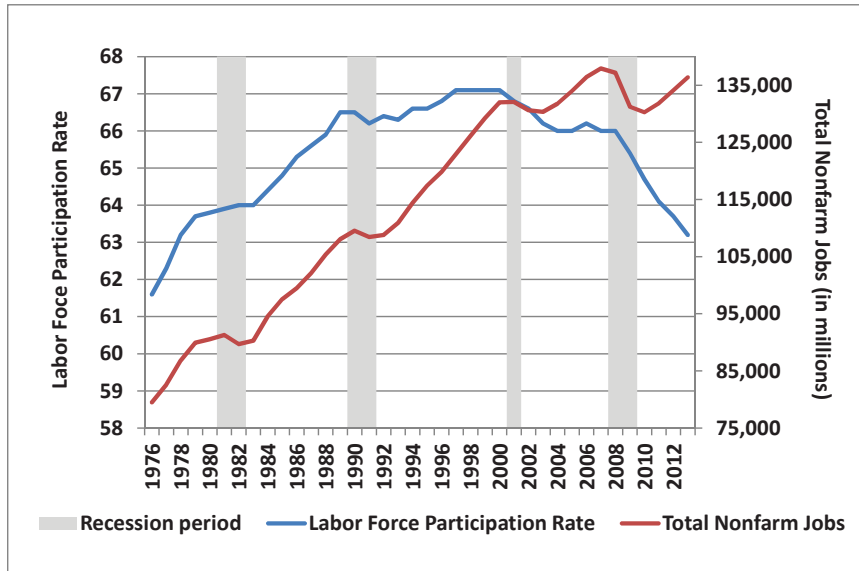
Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

The Illinois economy has steadily recovered from the effects of the last recession, otherwise known as the Great Recession. Job growth has improved and unemployment has fallen during the past several years but labor force participation rates remain low. In this section, we will examine how changes in labor force participation in Illinois and the United States have varied historically, including since the last recession, especially among different age groups. The primary source for these findings is the household survey administered by the U.S. Census Bureau for the U.S. Bureau of Labor Statistics, known as the Current Population Survey.

### Labor Force Participation Fails to Rebound after the Great Recession

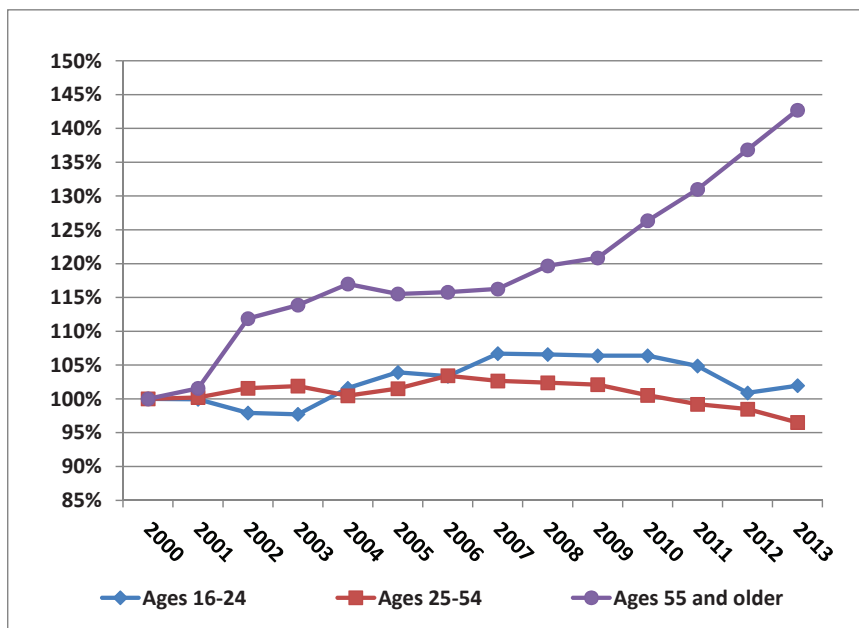
Unlike most previous economic expansion periods, the Illinois labor force participation rate has not shown signs of recovery in the years following the end of the last recession in 2009. As **Exhibit B1** illustrates, the labor force participation rate continued to drop in the years immediately following the end of the recessions in the 1980s and 1990s but it eventually rebounded and even surpassed pre-recession participation rates as total nonfarm jobs grew. This pattern

## Exhibit B2. Annual U.S. Labor Force Participation Rates and Total Nonfarm Jobs



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

## Exhibit B3. Growth in Illinois Non-institutional Population by Age Group (2000=100%)



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

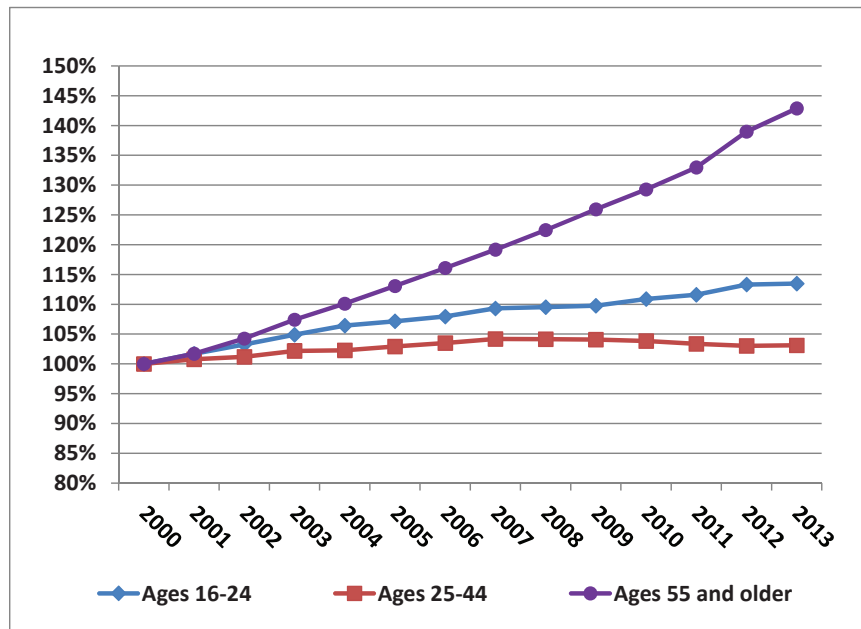
changed somewhat following the end of 2001 recession. The labor force participation rate grew for four straight years beginning in 2004 but never returned to the historic levels of 1999 and 2000. Part of this can be explained by the fact that while Illinois total nonfarm jobs increased following the 2001 recession, employment also never returned the levels seen in 1999 and 2000. The changes in the labor force participation rate following the end of the Great Recession diverged from past economic expansions to an even greater extent. In the four years following the end of the Great Recession, the labor force participation rate rose just twice, and, by 2013, was at its lowest level nearly 30 years. By comparison, Illinois total nonfarm jobs has shown continued growth, increasing for the third year in a row in 2013, up 184,000 since 2010.

Nationally, the historical trends in labor force participation have been similar but not identical to those found in Illinois, as shown in **Exhibit B2**. Labor force participation rates surpassed pre-recession levels in the 1980s and 1990s but never returned to pre-recession levels during the economic expansion following the 2001 recession. Additionally, like Illinois, the U.S. labor force participation rate dropped sharply following the Great Recession, falling to levels not seen in more than 30 years. However, unlike Illinois, there was stronger total nonfarm jobs growth nationally throughout the 2000s, peaking in 2007 and exceeding the levels reported prior to the 2001 recession. Despite stronger employment growth in the U.S. relative to Illinois, the labor force participation rate in Illinois remains about 2 percentage points higher than the U.S. participation rate (65.4 versus 63.2 percent, annual average in 2013.)

## The Aging of the Workforce in Illinois and the U.S.

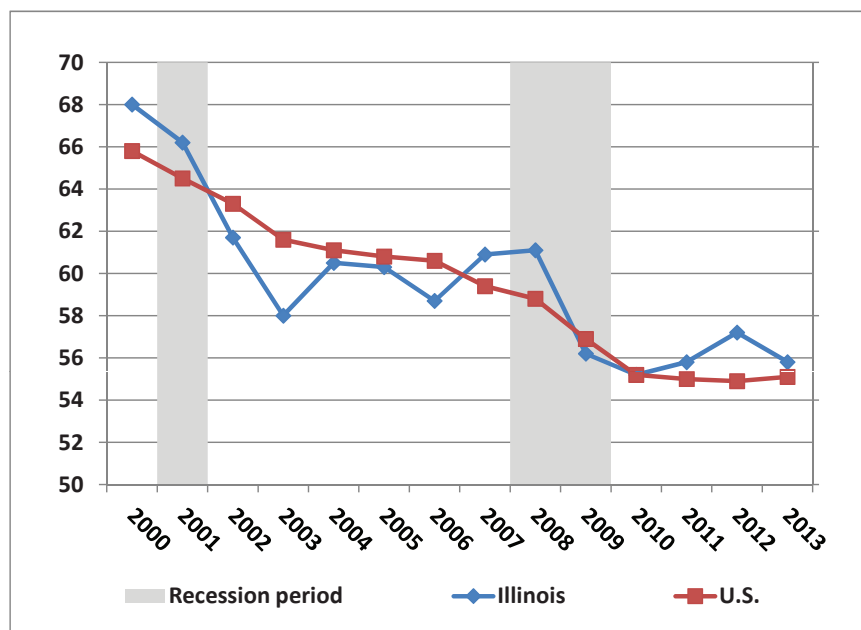
A commonly held explanation for the decline in labor force participation is the aging of the workforce and growth in the number of workers choosing to retire. The aging workforce explanation appears to be supported by **Exhibit B3**, which tracks the growth in the non-institutional working-age Illinois population

## Exhibit B4. Growth in U.S. Non-Institutional Population by Age Group (2000=100%)



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

## Exhibit B5. Annual Labor Force Participation Rates for Ages 16-24



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

by age group since the year 2000. The oldest age group (ages 55 and older) saw the largest population growth (about 43 percent). Those in the prime working-age group (ages 25-54) saw their population drop by about five-percent, with declines beginning after the Great Recession. The population for the youngest age group (16-24 year olds) has experienced modest growth since 2000, although the rate of growth has slowed since the end of the last recession. These patterns suggest a net out-migration of the younger, working-age population from Illinois.

Nationwide, the largest growth in non-institutional population between 2000 and 2013 was also found among the oldest age group, as described in **Exhibit B4**. But, unlike Illinois, the U.S. has seen the non-institutional population rise for the younger age groups as well, in part reflecting the net increase of the immigrant population since 2000.

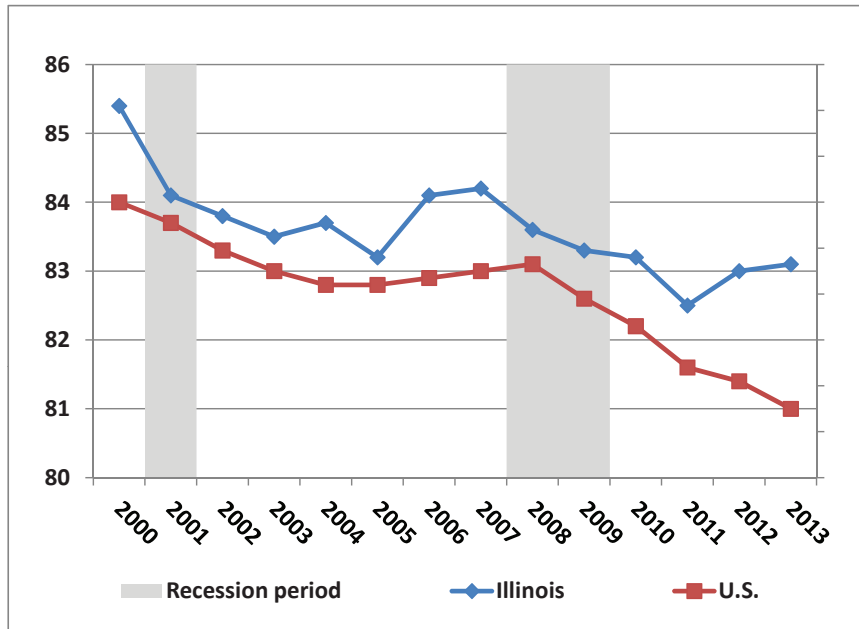
## Labor Force Participation Rises for the Oldest Population but Declines for Younger Age Groups

The aging workforce in Illinois and the U.S. does not completely explain recent labor force participation trends. As **Exhibits B5 through B7** show, the oldest age group has actually experienced growth in its labor force participation rate, rising both in Illinois and nationally. Between 2000 and 2013, the oldest age group saw its labor force participation increase 7.5 points in Illinois and 7.9 points in the U.S. In fact, the national labor force participation rate for those ages 55 and older has risen nearly every year since 2000, falling only slightly in 2013.

The youngest age group reported a sharp decline in their labor force participation rate since 2000, falling 12.2 points in Illinois and 10.7 points nationally, with the biggest decreases during and immediately after the recessions in 2001 and 2007-2009. In Illinois, the youngest age group did experience some gains in labor force participation in 2011 and 2012 before falling in 2013. Nationally, the labor force participation rate for the youngest age group has essentially been flat since 2010, increasing only slightly in 2013.

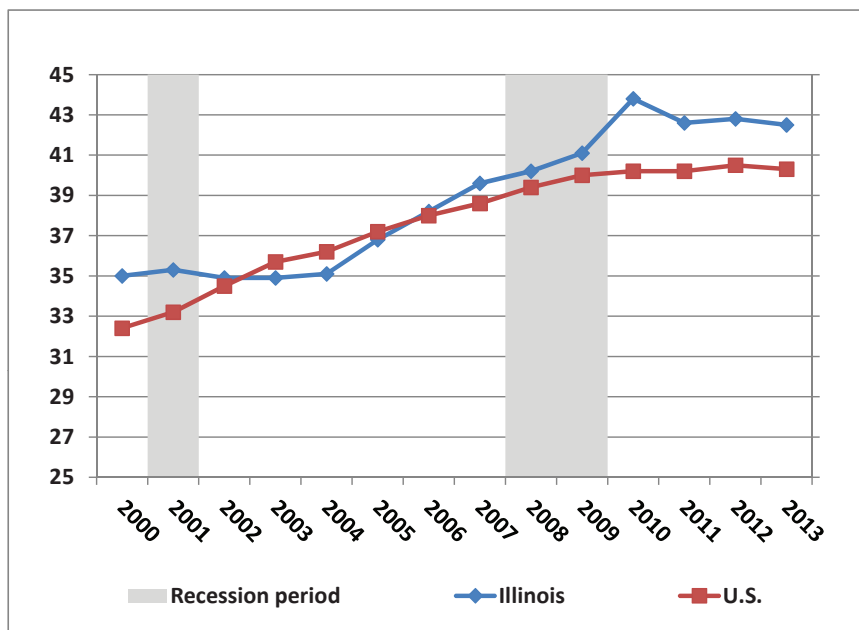


## Exhibit B6. Annual Labor Force Participation Rates for Ages 25-54



Data Source: U.S. BLS, Current Population Survey

## Exhibit B7. Annual Labor Force Participation Rates for Ages 55 and Older



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

The prime working-age group saw its labor force participation rate drop 2.3 points in Illinois and 3.0 points in the U.S. since 2000. However, the Illinois and national labor force participation rates for the prime working-age group have diverged in recent years; in Illinois, this age group reported increases in labor force participation rates in 2012 and 2013, while, nationally, it reported declines in both years.

### Employment Losses Explain Most of Decline in Labor Force Participation

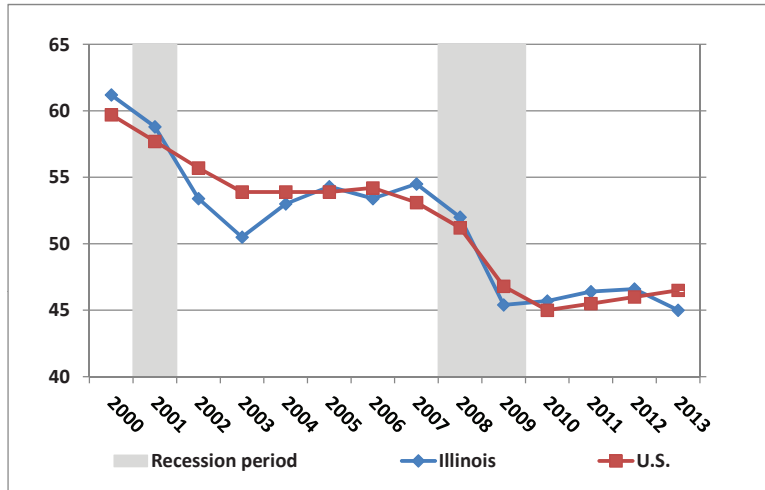
We also examined employment participation rates since 2000 for the youngest and prime-working age groups to shed more light on their declining labor force participation rates. Much of the decline in the labor force participation since 2000 for these two age groups was due to employment losses during the last two recessions and relatively slow job growth during the expansion periods that followed. The employment participation trends shown in Exhibits B-8 through B-10 essentially mirror the labor force participation trends described in Exhibits B5 through B7.

Between 2000 and 2013, the youngest age group saw its employment participation decrease 16.2 points in Illinois and 13.2 points in the U.S. with the largest declines in the early 2000s and in 2009 (see Exhibit B8). Both Illinois and the U.S. reported small gains in employment participation for the youngest age group following the end of the Great Recession, but Illinois saw its participation rates for this group drop 1.6 points in 2013.

The prime-working age group also experienced employment participation rate declines since 2000, falling 5.9 points in Illinois and 5.6 points nationally (see Exhibit B9). The largest annual employment participation rate decrease for this age group was in 2009, with the rate dropping by more than three points in both Illinois and the U.S. Illinois has seen slightly more improvement in employment participation for this age group as compared to the U.S. since the end of the Great

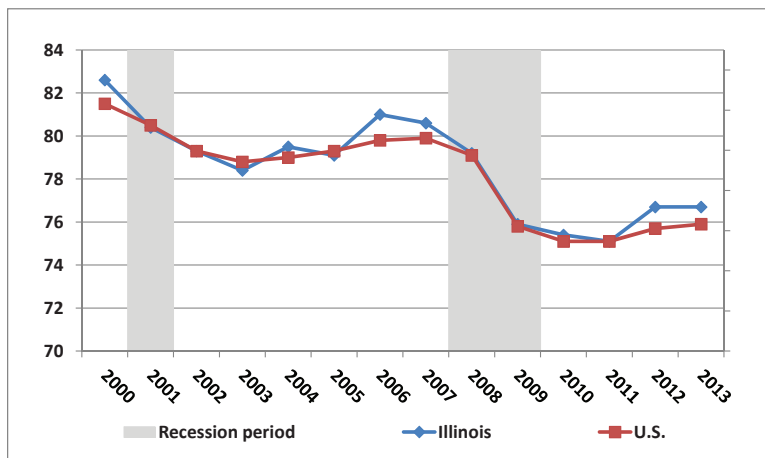


## Exhibit B8. Annual Employment Participation Rates for Ages 16-24



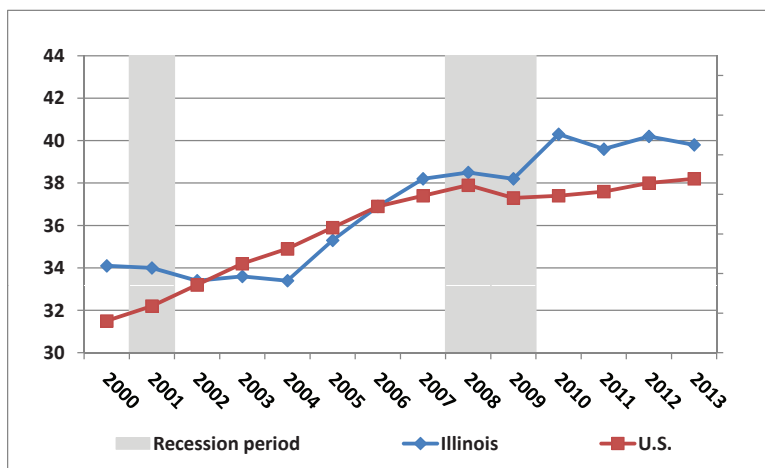
Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

## Exhibit B9. Annual Employment Participation Rates for Ages 25-54



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

## Exhibit B10. Annual Employment Participation Rates for Ages 55 and Older



Data Source: U.S. Bureau of Labor Statistics, Current Population Survey

Recession, with its participation rate rising 0.8 point since 2009 as compared to just 0.1 point nationally.

In sharp contrast to the younger two age groups, the oldest age group actually saw its employment participation rates increase in both Illinois and the U.S. between 2000 and 2013; see **Exhibit B10**. In Illinois, the employment participation rate increased 5.7 points from 2000, while in the U.S. it rose by 6.7 points. The Great Recession had little impact on the employment participation rates for the oldest age group. In Illinois, the employment participation rate for this group was up 1.6 points from 2009, despite declines in 2011 and 2013. Nationally, the employment participation rate for this age group has increased in each of the last four years, with a net gain of 0.9 point since 2009.

## Conclusion

As of 2013, the percentage of the Illinois working-age population in the labor force was at its lowest level in nearly 30 years, while in the U.S. labor force participation rate was at its lowest level since the late 1970s. Some have attributed most of the decline in labor force participation to the aging of the workforce. However, an analysis of annual data from the Current Population Survey indicates that while an aging population has contributed somewhat to lower labor force participation, an even greater factor is the economy. Both Illinois and the U.S. suffered heavy job losses during the Great Recession and employment has yet to return to pre-recession levels. Many have chosen to remain out of the labor force given their limited employment opportunities, especially the youngest members of the working-age population. The key elements needed to improve labor force participation rates in Illinois and throughout the U.S. are stronger job growth and expanded employment opportunities for younger workers.



## Section C. Review of Sub-State Areas (Categorizations of LWIAs) for Illinois

The 5-year data estimates for 2008-2012 obtained from the American Community Survey (ACS) have been transformed from county-level data into datasets for each of Illinois' local workforce investment areas (LWIAs) and finally into datasets that represent the local workforce investment area categories (LWIACATs). In addition, labor market information collected and produced by the Illinois Department of Employment Security's Economic Information and Analysis Division has been compiled by LWIACATs for analysis. The main text of this section provides analysis showing how these data compare and contrast across and within the LWIACATs.

### Targeted Populations, Critical Industries and Occupations

The intent of these analyses is to use available data to describe the characteristics of the workforce in Illinois and its sub-state

areas (the LWIACATs), while providing information from the workforce characteristic data on the targeted populations identified in Education and Training Administration (ETA) WIA planning requirements. These targeted populations include: dislocated workers; displaced homemakers; low-income individuals; migrant and seasonal farm workers; women; minorities; individuals training for nontraditional employment; veterans; public assistance recipients; and individuals with multiple barriers to employment (including older individuals; limited English proficiency individuals; and people with disabilities).

The government agencies of Illinois regularly respond to meet the skill needs of employers in the state in order to close any skill gaps related to critical industries and occupations. Industry sectors identified by the state as needing some form of workforce development support are healthcare, manufacturing, transportation and logistics, and information technology (focusing on healthcare applications). Green initiatives across all industry sectors of the Illinois economy are also underway. They also work with targeted populations to reduce barriers to employment.



Some examples of this workforce development support are:

- The Accelerated Training for Illinois Manufacturing (ATIM) project is for individuals that want to learn or advance their skills in one of four high-demand areas of manufacturing. The four areas are 1) machining; 2) mechatronics (equipment service and repair); 3) welding; and 4) logistics/inventory. Over 10,000 jobs are available in Illinois in these occupations. The program is open to low-income adults and dislocated workers. The program covers the cost of the skill upgrade training and credentials that employers require of new hires. This project stems from the Workforce Innovation Fund grant awarded to the Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Employment Security (IDES).
- Governor Pat Quinn of Illinois tasked state agencies to address issues and propose recommendations that allow military training to be considered for purposes of state licensure requirements. The Illinois Department of Veterans' Affairs (IDVA) has led the effort along with other participating state agencies to develop policies and procedures through which military experience can be applied toward professional licensing standards. The identification of gaps in the training will enable educational institutions to design programs through which service members may obtain additional training and education necessary to obtain state licensure in the relevant field. The following military occupational specialties are in the process of being assessed by Illinois licensing authorities: 1) dental hygienist; 2) pharmacist; 3) pharmacy technician; 4) physical therapy assistant; and 5) optometrist.
- IDES provides Intensive Services / Case Management to veterans with significant barriers to employment through the Federal DOL-VETS funded "Disabled Veterans' Outreach Program" (DVOP) specialist. These barriers are defined as Veterans with VA-Service Connected disability ratings, homeless veterans, recently separated Veterans that have been unemployed for 12-months or more, ex-offender, no-high school education, or those with low income (WIA section 101(25)(B)). The DVOP specialists works closely with a variety of community organizations to obtain supportive services for these targeted veterans to overcome barriers to employment. Once the barrier(s) have been resolved, the DVOP specialist refers the veterans to the Local Veterans Employment Representative for Individualized Job

Development. IDES has been facilitating the Incarcerated Veterans Transition Program (IVTP) to more than 13 facilities within the Illinois Department of Corrections that are located throughout Illinois as a special initiative since 2005. The IVTP is conducted on a regular schedule to "In-Reach" to incarcerated veterans that are within 18-months of their release date, providing them with Transition Assistance workshops focused on their re-entry back into both the workforce and communities.

- The Reentry Employment Services Program serves individuals who are on parole or about to be released from penal institutions. IDES provides workshops that cover job search and interviewing techniques as well as resources to equip ex-offenders with skills to overcome their unique barriers to employment. In addition, IDES has participated with related organizations to improve employment opportunities for ex-offenders.
- Services are provided to Migrant and Seasonal Farm Workers (MSFW) that are qualitatively equivalent and quantitatively proportionate to services provided to non-MSFWs. Bilingual trained staff contact workers during outreach activities and encourage them to enroll for staff assisted employment services, referral to supportive services, job development, career guidance, and job placement. Staff also conduct field checks; housing inspections; and promote the Job Service Complaint System. IDES implements a seasonal program offering employment services to individuals who are legally eligible to work in the United States and of legal age to perform services for wages.
- Hire-the-Future is a program that encourages youth 16 to 24 years old to aspire to careers in professional and growth-oriented occupations – and to stay in school. Hire-the-Future is a statewide program that provides employment services while introducing participants to career information through IDES' online Career Information System.
- The Work Opportunity Tax Credit program (WOTC) provides federal tax credits to employers that hire individuals from nine specified target groups that often experience high barriers to employment including SNAP, TANF, SSI and Vocational Rehabilitation recipients, ex-offenders, veterans, summer employed youth and those who live in economically distressed areas such as an urban Empowerment Zone or a federally designated Rural Renewal Community.

- The Fidelity Bonding Program assists individual's job prospects by providing a 6 or 12 month insurance policy guaranteeing honesty for "at-risk", hard-to-place job seekers that employers may otherwise hesitate to hire. There is no cost to the job applicant or the employer. The bonds are made available through IDES.
- IDES regularly tracks job ads through Help Wanted OnLine (HWOL supplied by The Conference Board) data and supplies summary reports to the public each month (Statewide and Sub-State). Custom reports can be produced for individual industries and have been in the case of the ATIM project for manufacturing.

## Exhibit C1: Map of Local Workforce Investment Area Categories and Sub-Categories (LWIACATs)

### Definition of Sub-State Areas

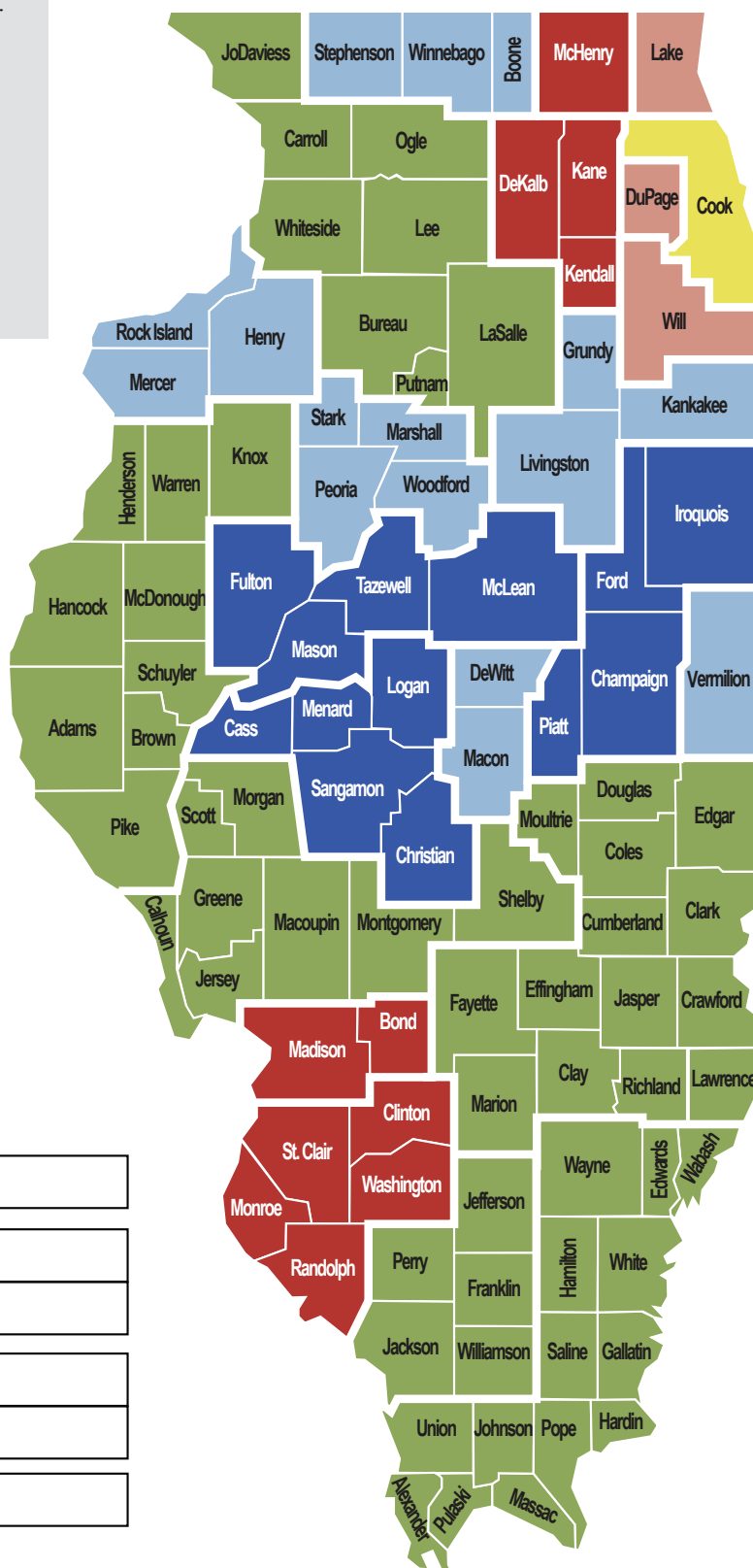
The statewide annual economic report requires state and labor market analyses be done in order to plan for Workforce Investment Act (WIA) programs. Thus it makes sense for the study of sub-state areas in Illinois to be based on Local Workforce Investment Areas (LWIAs). A review of economic and demographic data for the LWIAs showed some common characteristics among areas which lead to the compilation of the LWIAs into four broad categories (LWIACATs). Two of the LWIACATs have two sub-categories within them because even though they have differences between them the sub-categories are more similar than different.

The sub-state area definitions listed below are used in this section (along with the LWIAs and counties within them that are included). See

#### Exhibit C1.

LWIACAT A (yellow on map) includes LWIA 27 (also currently known as LWIA 7 and what was formerly known as the three workforce sections of Cook County, LWIAs 7, 8, and 9) - Cook County.

|  |            |
|--|------------|
|  | LWIACAT A  |
|  | LWIACAT B1 |
|  | LWIACAT B2 |
|  | LWIACAT C1 |
|  | LWIACAT C2 |
|  | LWIACAT D  |



LWIACAT B is separated into two sub-categories, LWIACAT B1 and LWIACAT B2.

LWIACAT B1 (light red) includes LWIA 1 - Lake County; LWIA 6 - Du Page County; and LWIA 10 - Will County.

LWIACAT B2 (dark red) includes LWIA 2 - Mc Henry County; LWIA 5 - De Kalb, Kane, and Kendall Counties; LWIA 22 - Bond, and Madison Counties; and LWIA 24 - Clinton, Monroe, Randolph, St. Clair, and Washington Counties.

LWIACAT C is separated into two portions, LWIACAT C1 and LWIACAT C2.

LWIACAT C1 (light blue) includes LWIA 3 - Boone, Stephenson, and Winnebago Counties; LWIA 11 - Grundy, Kankakee, and Livingston Counties; LWIA 13 - Henry, Mercer, and Rock Island Counties; LWIA 15 - Marshall, Peoria, Stark, and Woodford Counties; LWIA 18 - Vermilion County; and LWIA 19 - De Witt, and Macon Counties.

LWIACAT C2 (dark blue) includes LWIA 16 - Fulton, McLean, Mason, and Tazewell Counties; LWIA 17 - Champaign, Ford, Iroquois, and Piatt Counties; and LWIA 20 - Cass, Christian, Logan, Menard, and Sangamon Counties.

LWIACAT D (green) includes LWIA 4 - Bureau, Carroll, Jo Daviess, La Salle, Lee, Ogle, Putnam, and Whiteside Counties; LWIA 14 - Adams, Brown, Hancock, Henderson, Knox, McDonough, Pike, Schuyler, and Warren Counties; LWIA 21 - Calhoun, Greene, Jersey, Macoupin, Montgomery, Morgan, Scott, and Shelby Counties; LWIA 23 - Clark, Clay, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Lawrence, Marion, Moultrie, and Richland Counties; LWIA 25 - Franklin, Jackson, Jefferson, Perry, and Williamson Counties; and LWIA 26 - Alexander, Edwards, Gallatin, Hamilton, Hardin, Johnson, Massac, Pope, Pulaski, Saline, Union, Wabash, Wayne, and White Counties.

## Descriptions of LWIACATs

LWIACAT A represents the state of Illinois' primary urban community, Cook County, where the city of Chicago is located. This workforce area is focused on the urban center of the nation's third largest metropolitan area. It is the most racially, ethnically, and economically diverse workforce area in the state. Significantly more people speak a language other than English and more speak English less than "very

well" than any other area in the state. More adults who live in the area have less than a high school diploma, yet a much higher percentage than the state average have a graduate or professional degree. The unemployment rate is higher than the state annual average.

LWIACAT B represents the local workforce areas with collar counties around the city of Chicago and the Illinois counties around the St. Louis metropolitan center (a.k.a. Metro East). LWIACAT B1 areas operate at a higher level of economic significance than do the LWIACAT B2 areas. The LWIACAT B1 areas have a center of economic activity within them as well as providing labor and other economic support for the main economic engine of area A. B2 areas have significant economic activity of their own, but the portions near Chicago also supply labor for areas A and B1 while the portions of B2 in the Metro East area supply labor for the central economy in St. Louis. Area B2 also includes some rural sections within their boundaries.

Area B consists of territory that is the second most racially and ethnically diverse in the state (behind Cook County). Areas B1 and B2 do have some slight differences. B1 has the highest proportion of Asians (one race alone) of any workforce area category whereas B2 has a higher proportion of blacks and other (one race alone except whites, blacks, and Asians, plus mixed races) than B1. Both B1 and B2 have significant proportions of Hispanics within their borders. Areas B1 and B2 also have the smallest proportions of population that are age 55 and over, and that have a disability.

The educational attainment of B1 is the highest of all of the LWIA categories in Illinois, with the proportion of the adult population (ages 25 and older) with a Bachelor's degree or higher surpassing 40 percent. The proportion of the adult population for B2 that have a Bachelor's degree is below (28 percent) the proportion for the state (31 percent), but the proportion that have at least a high school diploma is higher than the proportion for the state (with good numbers for both some college, no degree and Associate's degree). The unemployment rate for both B1 and B2 is significantly below the state annual average.

LWIACAT C represents the local workforce areas that contain smaller economic centers and also have rural areas within them. Workforce areas within C1 tend to have economic centers that are blue-collar oriented with a goods-producing base. Workforce areas within C2 tend to have economic centers that are more white-collar oriented with a services-



## Exhibit C2: Annual Average Unemployment Rates - LAUS Data for 2013 (Rounded)

|                  | Labor Force      | Employed         | Unemployed Number | Rate        |
|------------------|------------------|------------------|-------------------|-------------|
| <b>LWIACAT A</b> | <b>2,615,000</b> | <b>2,365,000</b> | <b>250,000</b>    | <b>9.6%</b> |
| LWIACAT B1       | 1,260,000        | 1,154,000        | 106,000           | 8.4%        |
| LWIACAT B2       | 907,000          | 829,000          | 78,000            | 8.6%        |
| <b>LWIACAT B</b> | <b>2,167,000</b> | <b>1,983,000</b> | <b>183,000</b>    | <b>8.5%</b> |
| LWIACAT C1       | 616,000          | 553,000          | 64,000            | 10.3%       |
| LWIACAT C2       | 462,000          | 424,000          | 38,000            | 8.3%        |
| <b>LWIACAT C</b> | <b>1,078,000</b> | <b>977,000</b>   | <b>102,000</b>    | <b>9.4%</b> |
| <b>LWIACAT D</b> | <b>694,000</b>   | <b>630,000</b>   | <b>64,000</b>     | <b>9.3%</b> |
| ILLINOIS         | 6,554,000        | 5,954,000        | 600,000           | 9.2%        |
| U.S.             | 155,389,000      | 143,929,000      | 11,460,000        | 7.4%        |

Data Source: Illinois Department of Employment Security (IDES), LAUS LWIA data

providing base (the main industries in this case are insurance, university education, and state government).

C is less ethnically and racially diverse than B. Both C1 and C2 have higher proportions of white alone population than either A or B, but C1 does have a higher black alone population proportion than any other workforce area category other than A. The proportions of Hispanic population are 7.5 percent for C1 and 3.4 percent for C2. Both C1 and C2 have higher proportions of the population than the state that are age 55 and over. Both also have higher proportions of the population than the state that have a disability. Both areas have relatively low proportions of the population that speak a language other than English and who speak English less than “very well.”

The educational attainment of the populations of C1 and C2 are very different. C1 has higher proportions than the proportion for the state for high school graduate; some college, no degree; and Associate’s degree, while being significantly lower in Bachelor’s degree and graduate or professional degree. C2 is closer to the state proportions for the latter two categories, but exceeds the proportion for the state with a high school diploma or higher. The unemployment rate for C1 is significantly higher than the state annual average (highest of all workforce area categories) while the unemployment rate for C2 is significantly lower than the state annual average (lowest of all workforce area categories).

LWIACAT D represents the local workforce areas that are primarily made of up smaller towns and rural areas. This is the least racially and ethnically diverse area in the state with 93 percent of the population being of the white alone race.

The proportion of Hispanics is the lowest in the state, the population that is age 55 and over is the highest in the state, and the proportion of the population with a disability is the highest in the state. The area also has the lowest proportion of the population in the state that speak a language other than English and who speak English less than “very well.”

## Analyses of Economic Data for Illinois and Sub-State Areas

**Exhibit C2** displays Local Area Unemployment Statistics (LAUS) program data by LWIACATs. The LWIA categories where the unemployment rate is above the statewide annual average unemployment rate for 2013 are A, C1, and D. The LWIA categories where the unemployment rate is less than the statewide annual average unemployment rate for 2013 are B1 and B2 (all of LWIACAT B), and C2. All of the LWIA categories have unemployment rates greater than the U.S. annual average for 2013.

## Changes in Actual Employment

Using the Quarterly Census of Employment and Wages (QCEW) data for the last available ten years as shown in **Exhibit C3**, (*on the following page*) employment growth and decline can be measured by major industry in the local workforce area categories relative to the statewide numbers.

The two industry sectors in LWIACAT A that have shown employment growth significantly higher relative to the statewide numbers are accommodations and food services (about 60 percent of state’s 10-year employment growth is within area A) and educational services (about 45 percent of the state’s growth).

The number of industries with declines is greater for LWIACAT A with losses in the manufacturing sector being the largest in level terms (almost 58 percent of state’s employment losses over 10-year period for manufacturing occurred in area A). The losses in transportation and warehousing within area A account for nine and a half times as much as the employment loss seen in the rest of the state. This is one industry where employment has shifted outside of the urban area away to less congested locations where the Interstates and railroads are easily accessible.

The decline in employment for wholesale trade in area A is 1.7 times greater than the statewide loss of employment. This industry has also shifted away from the urban center. Significant employment losses have also occurred for

# Exhibit C3: Level Change and Percentage Change for Recent Ten-Year Period of QCEW Data [2002 Q3 – 2003 Q2 to 2012 Q3 – 2013 Q2]

| NAICS                                 | LWIACAT A |         |           |          | LWIACAT B1 |         |           |          | LWIACAT B2 |         |           |          |
|---------------------------------------|-----------|---------|-----------|----------|------------|---------|-----------|----------|------------|---------|-----------|----------|
|                                       | 10 Year   | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  |
|                                       | Change    | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in |
|                                       | in Emp    | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    |
| 11 Agric., Frstry., Fshng. & Hntng.   | -258      | -43.3%  | \$2,783   | 10.2%    | -422       | -24.9%  | \$7,035   | 29.0%    | 364        | 12.0%   | \$10,212  | 45.0%    |
| 21 Mining, Qrryng., & O. and G. Extr. | -449      | -49.8%  | \$6,586   | 10.9%    | -167       | -26.9%  | \$1,436   | 2.0%     | -490       | -50.2%  | \$4,439   | 8.2%     |
| 22 Utilities                          | -1,002    | -13.8%  | \$16,274  | 21.4%    | -1,004     | -14.1%  | \$30,290  | 36.2%    | 800        | 42.6%   | \$25,010  | 44.5%    |
| 23 Construction                       | -33,256   | -34.7%  | \$13,882  | 25.1%    | -23,448    | -35.7%  | \$10,214  | 19.5%    | -11,156    | -29.2%  | \$12,464  | 28.7%    |
| 31 Manufacturing                      | -87,499   | -31.4%  | \$13,829  | 30.3%    | -13,400    | -9.9%   | \$26,622  | 50.7%    | -18,543    | -19.6%  | \$13,421  | 32.2%    |
| 42 Wholesale Trade                    | -17,272   | -14.6%  | \$19,306  | 34.8%    | 1,878      | 2.3%    | \$23,380  | 38.2%    | 5,014      | 23.1%   | \$13,054  | 29.4%    |
| 44 Retail Trade                       | -14,417   | -5.9%   | \$3,531   | 14.7%    | 299        | 0.2%    | \$4,870   | 17.6%    | 1,155      | 1.6%    | \$2,992   | 14.0%    |
| 48 Transportation & Warehousing       | -18,466   | -11.8%  | \$10,044  | 23.1%    | 8,555      | 23.5%   | \$8,993   | 21.9%    | 3,206      | 16.2%   | \$6,902   | 18.8%    |
| 51 Information                        | -13,328   | -18.6%  | \$23,919  | 40.7%    | -7,138     | -27.4%  | \$9,589   | 17.1%    | -767       | -8.5%   | \$11,012  | 32.1%    |
| 52 Finance & Insurance                | -27,534   | -16.1%  | \$45,591  | 56.7%    | -1,457     | -2.7%   | \$20,760  | 32.9%    | -299       | -1.6%   | \$10,193  | 25.4%    |
| 53 Real Estate & Rental & Leasing     | -6,964    | -14.6%  | \$17,582  | 37.5%    | -25        | -0.2%   | \$10,921  | 25.0%    | -427       | -8.2%   | \$8,862   | 32.8%    |
| 54 Prof., Scient. & Tech. Svcs.       | 1,576     | 0.8%    | \$24,996  | 34.2%    | 12,993     | 19.1%   | \$23,258  | 38.1%    | 2,517      | 12.0%   | \$15,939  | 34.3%    |
| 55 Management of Comp. & Enter.       | 2,631     | 6.2%    | \$33,923  | 36.8%    | 16,935     | 91.0%   | \$34,858  | 39.2%    | -175       | -5.6%   | \$32,603  | 65.8%    |
| 56 Admin. & Spprt. & Wst. Mngmt.      | 17,170    | 10.2%   | \$8,424   | 31.5%    | 19,358     | 25.9%   | \$8,133   | 28.9%    | 2,046      | 6.0%    | \$7,744   | 41.9%    |
| 61 Educational Services               | 24,258    | 11.8%   | \$13,412  | 33.0%    | 17,990     | 23.1%   | \$9,160   | 25.4%    | 9,814      | 16.6%   | \$8,535   | 27.0%    |
| 62 Health Care & Social Assist.       | 44,446    | 15.0%   | \$9,382   | 25.0%    | 34,527     | 41.7%   | \$9,586   | 23.9%    | 12,550     | 20.4%   | \$9,204   | 28.0%    |
| 71 Arts, Entertainment & Rec.         | 1,272     | 2.6%    | \$7,070   | 25.9%    | 147        | 0.6%    | \$10,526  | 41.3%    | -1,855     | -11.5%  | \$897     | 4.6%     |
| 72 Accommodation & Food Svcs.         | 30,879    | 17.1%   | \$5,248   | 32.0%    | 13,474     | 19.6%   | \$3,572   | 25.1%    | 7,471      | 17.4%   | \$3,566   | 33.3%    |
| 81 Other Services                     | -1,109    | -1.1%   | \$10,160  | 31.9%    | -1,176     | -3.4%   | \$7,301   | 26.2%    | 260        | 1.3%    | \$7,013   | 33.1%    |
| 92 Public Administration              | -18,203   | -16.2%  | \$18,844  | 37.2%    | -2,326     | -7.1%   | \$16,854  | 38.0%    | 3,466      | 13.3%   | \$16,864  | 44.3%    |
| 99 Unclassified                       | -1,039    | -22.8%  | \$4,315   | 15.2%    | -214       | -16.1%  | \$5,486   | 16.9%    | -200       | -39.6%  | \$17,128  | 87.4%    |
| Total Employment                      | -118,562  | -4.7%   | \$13,137  | 29.4%    | 75,378     | 7.2%    | \$13,546  | 31.3%    | 14,751     | 2.6%    | \$8,606   | 27.1%    |
|                                       |           |         |           |          |            |         |           |          |            |         |           |          |
| NAICS                                 | LWIACAT B |         |           |          | LWIACAT C1 |         |           |          | LWIACAT C2 |         |           |          |
|                                       | 10 Year   | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  |
|                                       | Change    | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in |
|                                       | in Emp    | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    |
| 11 Agric., Frstry., Fshng. & Hntng.   | -58       | -1.2%   | \$9,253   | 39.9%    | -589       | -17.6%  | \$5,445   | 17.8%    | 401        | 19.8%   | \$10,139  | 37.1%    |
| 21 Mining, Qrryng., & O. and G. Extr. | -657      | -41.2%  | \$3,976   | 6.5%     | 40         | 9.4%    | \$14,911  | 29.7%    | -3         | -0.6%   | \$9,689   | 17.8%    |
| 22 Utilities                          | -204      | -2.3%   | \$26,219  | 33.7%    | -506       | -7.8%   | \$26,600  | 33.1%    | -213       | -11.2%  | \$22,242  | 38.9%    |
| 23 Construction                       | -34,603   | -33.3%  | \$10,890  | 22.2%    | -6,016     | -23.0%  | \$14,728  | 37.0%    | -4,327     | -23.8%  | \$10,383  | 27.7%    |
| 31 Manufacturing                      | -31,943   | -13.9%  | \$21,856  | 45.5%    | -8,478     | -8.7%   | \$13,025  | 27.6%    | -4,904     | -11.5%  | \$30,321  | 66.5%    |
| 42 Wholesale Trade                    | 6,892     | 6.6%    | \$20,354  | 35.3%    | 358        | 1.6%    | \$16,778  | 42.7%    | 614        | 4.4%    | \$16,016  | 42.2%    |
| 44 Retail Trade                       | 1,454     | 0.7%    | \$4,182   | 16.4%    | -4,161     | -6.8%   | \$4,353   | 21.6%    | -2,824     | -6.3%   | \$4,327   | 22.2%    |
| 48 Transportation & Warehousing       | 11,761    | 20.9%   | \$8,343   | 21.1%    | 2,572      | 12.5%   | \$6,695   | 20.5%    | -762       | -5.2%   | \$11,038  | 32.0%    |
| 51 Information                        | -7,905    | -22.6%  | \$9,015   | 17.9%    | -2,916     | -26.2%  | \$9,254   | 29.7%    | -10,125    | -63.5%  | -\$5,009  | -10.7%   |
| 52 Finance & Insurance                | -1,756    | -2.4%   | \$17,925  | 31.4%    | -3,323     | -15.4%  | \$18,433  | 47.2%    | -68        | -0.3%   | \$22,697  | 47.8%    |
| 53 Real Estate & Rental & Leasing     | -452      | -2.3%   | \$10,672  | 27.2%    | -1,089     | -22.0%  | \$9,135   | 38.5%    | -112       | -2.7%   | \$10,394  | 45.3%    |
| 54 Prof., Scient. & Tech. Svcs.       | 15,510    | 17.4%   | \$21,773  | 37.8%    | 2,593      | 14.6%   | \$21,972  | 50.0%    | 1,299      | 10.5%   | \$15,121  | 34.3%    |
| 55 Management of Comp. & Enter.       | 16,760    | 77.1%   | \$37,332  | 44.8%    | 235        | 4.2%    | \$69,435  | 110.2%   | 7,492      | 265.7%  | \$35,282  | 66.4%    |
| 56 Admin. & Spprt. & Wst. Mngmt.      | 21,404    | 19.7%   | \$8,365   | 33.3%    | -2,383     | -7.7%   | \$8,218   | 38.9%    | 2,448      | 16.1%   | \$10,017  | 47.0%    |
| 61 Educational Services               | 27,804    | 20.3%   | \$8,959   | 26.3%    | 892        | 2.1%    | \$6,819   | 23.1%    | 3,299      | 6.9%    | \$8,128   | 23.2%    |
| 62 Health Care & Social Assist.       | 47,078    | 32.6%   | \$9,716   | 26.3%    | 11,114     | 14.8%   | \$9,710   | 28.0%    | 6,870      | 14.8%   | \$11,994  | 35.5%    |
| 71 Arts, Entertainment & Rec.         | -1,708    | -4.1%   | \$7,131   | 30.8%    | 696        | 8.6%    | \$2,024   | 13.5%    | -198       | -3.3%   | \$3,027   | 20.9%    |
| 72 Accommodation & Food Svcs.         | 20,945    | 18.8%   | \$3,584   | 27.8%    | -253       | -0.6%   | \$3,531   | 35.0%    | 947        | 2.7%    | \$3,595   | 33.9%    |
| 81 Other Services                     | -916      | -1.7%   | \$7,122   | 28.0%    | -1,315     | -7.2%   | \$7,414   | 36.1%    | -829       | -6.2%   | \$7,074   | 30.3%    |
| 92 Public Administration              | 1,140     | 1.9%    | \$16,547  | 39.8%    | -67        | -0.3%   | \$14,914  | 45.0%    | -12,871    | -19.8%  | \$16,941  | 36.9%    |
| 99 Unclassified                       | -414      | -22.6%  | \$8,771   | 30.4%    | 103        | 143.1%  | -\$341    | -1.5%    | -42        | -42.9%  | \$16,361  | 102.8%   |
| Total Employment                      | 90,129    | 5.6%    | \$11,964  | 30.5%    | -12,493    | -2.3%   | \$10,810  | 32.9%    | -13,908    | -3.2%   | \$12,604  | 36.6%    |
|                                       |           |         |           |          |            |         |           |          |            |         |           |          |
| NAICS                                 | LWIACAT C |         |           |          | LWIACAT D  |         |           |          | ILLINOIS   |         |           |          |
|                                       | 10 Year   | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  | 10 Year    | 10 Year | 10 Year   | 10 Year  |
|                                       | Change    | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in | Change     | % Chg   | Change in | % Chg in |
|                                       | in Emp    | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    | in Emp     | in Emp  | Wages     | Wages    |
| 11 Agric., Frstry., Fshng. & Hntng.   | -188      | -3.5%   | \$7,308   | 24.9%    | 1,295      | 29.5%   | \$10,593  | 45.9%    | 792        | 5.2%    | \$8,700   | 34.1%    |
| 21 Mining, Qrryng., & O. and G. Extr. | 38        | 4.3%    | \$12,327  | 23.6%    | 1,132      | 18.6%   | \$21,451  | 46.1%    | 63         | 0.7%    | \$16,465  | 32.4%    |
| 22 Utilities                          | -720      | -8.6%   | \$25,826  | 34.4%    | -636       | -12.4%  | \$27,506  | 39.2%    | -2,561     | -8.6%   | \$24,108  | 32.0%    |
| 23 Construction                       | -10,343   | -23.3%  | \$12,965  | 33.3%    | -3,808     | -17.8%  | \$10,997  | 34.7%    | -82,010    | -30.9%  | \$11,724  | 24.3%    |
| 31 Manufacturing                      | -13,383   | -9.6%   | \$18,193  | 39.0%    | -19,231    | -22.3%  | \$11,499  | 32.7%    | -152,056   | -20.7%  | \$17,352  | 38.3%    |
| 42 Wholesale Trade                    | 972       | 2.7%    | \$16,469  | 42.5%    | -627       | -2.9%   | \$12,361  | 40.0%    | -10,035    | -3.6%   | \$18,749  | 35.9%    |
| 44 Retail Trade                       | -6,985    | -6.6%   | \$4,341   | 21.8%    | -5,249     | -7.9%   | \$4,389   | 24.2%    | -25,197    | -4.1%   | \$4,045   | 17.5%    |
| 48 Transportation & Warehousing       | 1,811     | 5.1%    | \$8,235   | 24.7%    | 2,956      | 14.6%   | \$9,515   | 31.0%    | -1,939     | -0.7%   | \$8,898   | 22.0%    |
| 51 Information                        | -13,041   | -48.1%  | \$592     | 1.5%     | -3,674     | -35.7%  | \$7,862   | 29.8%    | -37,947    | -26.4%  | \$17,225  | 33.8%    |
| 52 Finance & Insurance                | -3,392    | -7.4%   | \$21,211  | 48.7%    | -590       | -3.3%   | \$13,850  | 47.9%    | -33,271    | -10.8%  | \$31,697  | 47.7%    |
| 53 Real Estate & Rental & Leasing     | -1,201    | -13.1%  | \$9,732   | 41.6%    | 111        | 3.3%    | \$8,190   | 41.4%    | -8,506     | -10.6%  | \$14,117  | 34.3%    |
| 54 Prof., Scient. & Tech. Svcs.       | 3,892     | 12.9%   | \$19,231  | 43.7%    | -22        | -0.2%   | \$9,883   | 31.4%    | 20,955     | 6.4%    | \$22,491  | 34.6%    |
| 55 Management of Comp. & Enter.       | 7,727     | 91.4%   | \$45,177  | 75.8%    | 727        | 61.9%   | \$18,652  | 47.9%    | 27,845     | 37.7%   | \$34,365  | 40.4%    |
| 56 Admin. & Spprt. & Wst. Mngmt.      | 65        | 0.1%    | \$8,909   | 42.0%    | 1,538      | 10.4%   | \$9,269   | 55.1%    | 40,177     | 11.9%   | \$8,547   | 34.2%    |
| 61 Educational Services               | 4,191     | 4.6%    | \$7,587   | 23.4%    | -2,828     | -4.8%   | \$7,802   | 27.2%    | 53,424     | 10.8%   | \$10,604  | 29.6%    |
| 62 Health Care & Social Assist.       | 17,984    | 14.8%   | \$10,587  | 30.8%    | 6,375      | 9.0%    | \$10,387  | 39.2%    | 115,883    | 18.3%   | \$9,895   | 27.8%    |
| 71 Arts, Entertainment & Rec.         | 499       | 3.5%    | \$2,434   | 16.4%    | -1,073     | -17.6%  | \$2,516   | 17.8%    | -1,010     | -0.9%   | \$6,365   | 27.2%    |
| 72 Accommodation & Food Svcs.         | 694       | 0.9%    | \$3,565   | 34.5%    | -1,016     | -2.5%   | \$3,337   | 36.7%    | 51,501     | 12.6%   | \$4,485   | 33.0%    |
| 81 Other Services                     | -2,144    | -6.7%   | \$7,276   | 33.5%    | -1,695     | -11.4%  | \$6,687   | 40.4%    | -5,864     | -3.0%   | \$8,767   | 32.1%    |
| 92 Public Administration              | -12,938   | -14.7%  | \$15,775  | 37.0%    | 963        | 3.3%    | \$10,987  | 38.2%    | -29,037    | -10.1%  | \$16,052  | 36.4%    |
| 99 Unclassified                       | 62        | 36.4%   | \$6,419   | 34.2%    | -19        | -26.0%  | \$2,588   | 11.6%    | -1,410     | -21.3%  | \$5,424   | 19.2%    |
| Total Employment                      | -26,401   | -2.7%   | \$11,598  | 34.6%    | -25,369    | -5.0%   | \$8,977   | 33.9%    | -80,203    | -1.4%   | \$12,128  | 30.7%    |

Data Source: Illinois Department of Employment Security (IDES), QCEW county data

retail trade (57 percent of statewide losses); for finance and insurance (almost 83 percent of statewide losses); and for real estate and rental and leasing (almost 82 percent of statewide losses).

The area representing LWIACAT B has demonstrated significant employment growth over the last 10-year period (by far the strongest in the state), especially in area B1. Area B had approximately a 21 percent growth in transportation and warehousing, whereas the state as a whole showed a decline. Although both areas B1 and B2 had strong growth in this industry sector, large employment increases in Will County made industry growth in B1 stronger than in B2. Area B had 17 percent employment growth in professional, scientific, and technical services (accounting for 74 percent of statewide growth) with the overwhelming majority of that occurring in B1. Area B had 77 percent growth in management of companies and enterprises (accounting for 60 percent of statewide growth in the industry) with all of the growth coming in B1.

Administrative and support and waste management services had 20 percent growth for the ten years (accounting for 53 percent of statewide growth) with about 90 percent of that growth occurring in B1. Educational services had 20 percent growth (accounting for 52 percent of statewide growth in the industry) with area B1 having slightly higher growth than B2.

Health care and social assistance had almost 33 percent growth with area B1 about doubling the growth in B2. Areas B1 and B2 together accounted for 40 percent of the statewide growth in this industry. Similarly accommodations and food services accounted for 19 percent growth (accounting for 40 percent of statewide growth) with B1 approximately doubling the growth of B2.

Key declining industries included construction (42 percent of the statewide decline in employment); manufacturing (21 percent of the statewide decline); information (21 percent of the statewide decline); and a decline in employment in arts, entertainment, and recreation (focused entirely in B2) that accounts for more than the total decline in industry employment statewide.

Areas C1 and C2 have endured overall employment losses for the last ten years of available data. The industry sector with the biggest percentage gain in employment was management of companies and enterprises (27.8 percent of the statewide increase in employment) with almost all of that gain having occurred in C2. An increase of 18.6 percent took place in

professional, scientific, and technical services with two thirds of that gain in C1. Gains were also seen in health care and social assistance (9.6 percent employment increase in C1 and a 5.9 percent increase in C2); and transportation and warehousing (the gain in employment in C1 was 1.3 times the employment loss seen by the state).

Area C1 accounted for 74.4 percent of state employment losses in agriculture, forestry, fishing and hunting whereas C2 had an increase in employment in that industry equal to half of the statewide loss. Other industry employment losses for LWIACAT C were seen in information (34.4 percent of statewide losses with a 26.7 percent loss in C2); retail trade (27.7 percent of statewide losses); public administration (44.3 percent of statewide losses were seen in C2); finance and insurance (10.0 percent of statewide losses seen in C1); construction (12.6 percent of statewide losses); and manufacturing (8.8 percent of statewide losses with a 5.6 percent loss in C1).

LWIACAT D has also seen some industries grow and some decline. Transportation and warehousing grew one and a half times the total value of the statewide loss in employment. Agriculture, forestry, fishing and hunting grew over 1.6 times the total statewide gain in employment. Mining, quarrying, and oil and gas extraction grew substantially more (almost 18 times) than the total statewide gain in employment for that industry.

Conversely arts, entertainment and recreation decreased 106.2 percent of the statewide loss in employment for the industry. Accommodation and food services lost over 1,000 in employment whereas the only other loss in that industry by the workforce area categories was a small loss seen by area C1. Area D was also the only workforce area to see a loss in educational services (5.3 percent of the value of the statewide employment gain). Other losses were felt in the information industry sector (9.7 percent of statewide employment losses); retail trade (20.8 percent of statewide employment losses); manufacturing (12.6 percent of statewide employment losses); and utilities (24.8 percent of statewide employment losses).

## Changes in Actual Wages

**Exhibit C3** (*on the previous page*) also provides data on the percentage change in industry wages for the 10-year period. Using the Consumer Price Index (CPI) for all urban consumers, all Items, the percentage change in CPI from the 12 months (2002 Q3 – 2003 Q2) to the 12 months (2012 Q3 – 2013 Q2) 10 years later was 27.1 percent. When the

## Exhibit C4: Industry Projections (2010-2020) – Level Change and Percentage Change in Industry Employment

| Industry Titles                             | LWIACAT A      |             | LWIACAT B1     |            | LWIACAT B2    |            | LWIACAT B      |            | LWIACAT C1    |            | LWIACAT C2    |            | LWIACAT C     |            | LWIACAT D     |            | ILLINOIS       |            |
|---|----------------|-------------|----------------|------------|---------------|------------|----------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|----------------|------------|
|   | #              | %           | #              | %          | #             | %          | #              | %          | #             | %          | #             | %          | #             | %          | #             | %          | #              | %          |
| <b>TOTAL, ALL INDUSTRIES</b>                | <b>173,000</b> | <b>7%</b>   | <b>154,000</b> | <b>13%</b> | <b>81,000</b> | <b>13%</b> | <b>236,000</b> | <b>13%</b> | <b>47,000</b> | <b>8%</b>  | <b>33,000</b> | <b>7%</b>  | <b>79,000</b> | <b>8%</b>  | <b>29,000</b> | <b>5%</b>  | <b>517,000</b> | <b>9%</b>  |
| Self Employed and Unpaid Family Workers     | 2,000          | 2%          | 1,000          | 2%         | 1,000         | 3%         | 1,000          | 1%         | 1,000         | 3%         | 0             | 0%         | 1,000         | 2%         | 1,000         | 3%         | 6,000          | 2%         |
| Agricultural Production, Total              | 0              | 0%          | 0              | 0%         | 0             | 0%         | 0              | 0%         | 0             | 0%         | 0             | 0%         | -1,000        | -4%        | -1,000        | -2%        | -2,000         | -3%        |
| <b>Total Nonfarm</b>                        | <b>171,000</b> | <b>7%</b>   | <b>153,000</b> | <b>14%</b> | <b>81,000</b> | <b>14%</b> | <b>234,000</b> | <b>14%</b> | <b>46,000</b> | <b>9%</b>  | <b>32,000</b> | <b>8%</b>  | <b>79,000</b> | <b>8%</b>  | <b>29,000</b> | <b>6%</b>  | <b>514,000</b> | <b>9%</b>  |
| <b>Natural Resources and Mining</b>         | <b>0</b>       | <b>0%</b>   | <b>0</b>       | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>       | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>       | <b>0%</b>  |
| <b>Construction</b>                         | <b>12,000</b>  | <b>18%</b>  | <b>3,000</b>   | <b>7%</b>  | <b>1,000</b>  | <b>3%</b>  | <b>5,000</b>   | <b>7%</b>  | <b>1,000</b>  | <b>5%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>17,000</b>  | <b>9%</b>  |
| <b>Manufacturing, Total</b>                 | <b>-22,000</b> | <b>-11%</b> | <b>-4,000</b>  | <b>-3%</b> | <b>0</b>      | <b>0%</b>  | <b>-4,000</b>  | <b>-2%</b> | <b>-1,000</b> | <b>-1%</b> | <b>0</b>      | <b>0%</b>  | <b>-1,000</b> | <b>-1%</b> | <b>0</b>      | <b>0%</b>  | <b>-27,000</b> | <b>-5%</b> |
| Non-Durable Goods Manufacturing, Total      | -8,000         | -9%         | -1,000         | -2%        | -1,000        | -3%        | -1,000         | -1%        | -1,000        | -4%        | 0             | 0%         | -2,000        | -5%        | 0             | 0%         | -11,000        | -5%        |
| Durable Goods Manufacturing, Total          | -14,000        | -13%        | -3,000         | -5%        | 1,000         | 2%         | -2,000         | -2%        | 0             | 0%         | 0             | 0%         | 0             | 0%         | 0             | 0%         | -16,000        | -5%        |
| <b>Trade, Transportation, and Utilities</b> | <b>2,000</b>   | <b>0%</b>   | <b>25,000</b>  | <b>9%</b>  | <b>18,000</b> | <b>14%</b> | <b>42,000</b>  | <b>11%</b> | <b>5,000</b>  | <b>5%</b>  | <b>4,000</b>  | <b>5%</b>  | <b>8,000</b>  | <b>4%</b>  | <b>4,000</b>  | <b>3%</b>  | <b>57,000</b>  | <b>5%</b>  |
| Wholesale Trade                             | 0              | 0%          | 6,000          | 7%         | 5,000         | 18%        | 11,000         | 10%        | 1,000         | 4%         | 1,000         | 7%         | 1,000         | 3%         | 1,000         | 4%         | 12,000         | 4%         |
| Retail Trade                                | 0              | 0%          | 12,000         | 9%         | 8,000         | 11%        | 20,000         | 10%        | 1,000         | 2%         | 2,000         | 5%         | 3,000         | 3%         | 2,000         | 3%         | 25,000         | 4%         |
| Transportation & Warehousing & Utilities    | 2,000          | 1%          | 6,000          | 12%        | 5,000         | 19%        | 11,000         | 14%        | 3,000         | 10%        | 1,000         | 6%         | 5,000         | 11%        | 2,000         | 7%         | 19,000         | 7%         |
| <b>Information</b>                          | <b>-5,000</b>  | <b>-9%</b>  | <b>2,000</b>   | <b>11%</b> | <b>1,000</b>  | <b>13%</b> | <b>3,000</b>   | <b>12%</b> | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>0</b>      | <b>0%</b>  | <b>-2,000</b>  | <b>-2%</b> |
| <b>Financial Activities</b>                 | <b>8,000</b>   | <b>4%</b>   | <b>14,000</b>  | <b>21%</b> | <b>4,000</b>  | <b>16%</b> | <b>18,000</b>  | <b>20%</b> | <b>4,000</b>  | <b>17%</b> | <b>2,000</b>  | <b>8%</b>  | <b>6,000</b>  | <b>12%</b> | <b>3,000</b>  | <b>14%</b> | <b>35,000</b>  | <b>10%</b> |
| Finance and Insurance, Total                | 5,000          | 3%          | 12,000         | 23%        | 3,000         | 15%        | 14,000         | 19%        | 4,000         | 21%        | 2,000         | 8%         | 5,000         | 12%        | 2,000         | 11%        | 27,000         | 9%         |
| Real Estate and Rental and Leasing          | 2,000          | 5%          | 2,000          | 14%        | 1,000         | 20%        | 3,000          | 16%        | 1,000         | 20%        | 1,000         | 25%        | 1,000         | 11%        | 0             | 0%         | 7,000          | 10%        |
| <b>Professional and Business Services</b>   | <b>62,000</b>  | <b>14%</b>  | <b>50,000</b>  | <b>27%</b> | <b>17,000</b> | <b>29%</b> | <b>67,000</b>  | <b>27%</b> | <b>10,000</b> | <b>19%</b> | <b>7,000</b>  | <b>16%</b> | <b>17,000</b> | <b>18%</b> | <b>5,000</b>  | <b>18%</b> | <b>151,000</b> | <b>19%</b> |
| Professional, Scientific & Tech. Services   | 43,000         | 22%         | 28,000         | 37%        | 6,000         | 25%        | 34,000         | 34%        | 4,000         | 20%        | 2,000         | 13%        | 6,000         | 17%        | 2,000         | 20%        | 84,000         | 24%        |
| Management of Companies and Enterprises     | 3,000          | 7%          | 0              | 0%         | 1,000         | 33%        | 1,000          | 3%         | 0             | 0%         | 1,000         | 9%         | 2,000         | 12%        | 0             | 0%         | 5,000          | 5%         |
| Administrative & Waste Mngmnt. Services     | 16,000         | 9%          | 21,000         | 25%        | 11,000        | 34%        | 32,000         | 28%        | 6,000         | 21%        | 4,000         | 24%        | 10,000        | 22%        | 3,000         | 19%        | 61,000         | 17%        |
| <b>Educational and Health Services</b>      | <b>68,000</b>  | <b>12%</b>  | <b>41,000</b>  | <b>20%</b> | <b>25,000</b> | <b>17%</b> | <b>65,000</b>  | <b>19%</b> | <b>20,000</b> | <b>16%</b> | <b>15,000</b> | <b>13%</b> | <b>35,000</b> | <b>14%</b> | <b>12,000</b> | <b>9%</b>  | <b>180,000</b> | <b>14%</b> |
| Educational Services, Private & Public      | 21,000         | 9%          | 23,000         | 25%        | 15,000        | 21%        | 38,000         | 23%        | 9,000         | 20%        | 9,000         | 14%        | 18,000        | 16%        | 5,000         | 8%         | 81,000         | 14%        |
| Health Care & Social Ass., Private & Pub.   | 47,000         | 15%         | 18,000         | 17%        | 10,000        | 14%        | 28,000         | 15%        | 11,000        | 13%        | 6,000         | 11%        | 17,000        | 13%        | 7,000         | 10%        | 99,000         | 14%        |
| <b>Leisure and Hospitality</b>              | <b>37,000</b>  | <b>16%</b>  | <b>16,000</b>  | <b>17%</b> | <b>9,000</b>  | <b>15%</b> | <b>26,000</b>  | <b>17%</b> | <b>6,000</b>  | <b>13%</b> | <b>5,000</b>  | <b>12%</b> | <b>11,000</b> | <b>13%</b> | <b>5,000</b>  | <b>11%</b> | <b>77,000</b>  | <b>15%</b> |
| Arts, Entertainment and Recreation          | 1,000          | 3%          | 1,000          | 6%         | 1,000         | 9%         | 3,000          | 11%        | 0             | 0%         | 0             | 0%         | 0             | 0%         | 0             | 0%         | 3,000          | 4%         |
| Accommodation and Food Services             | 35,000         | 18%         | 15,000         | 19%        | 8,000         | 17%        | 23,000         | 18%        | 6,000         | 15%        | 5,000         | 14%        | 11,000        | 14%        | 5,000         | 12%        | 74,000         | 17%        |
| <b>Other Services</b>                       | <b>8,000</b>   | <b>6%</b>   | <b>7,000</b>   | <b>14%</b> | <b>2,000</b>  | <b>7%</b>  | <b>9,000</b>   | <b>12%</b> | <b>2,000</b>  | <b>7%</b>  | <b>1,000</b>  | <b>5%</b>  | <b>4,000</b>  | <b>8%</b>  | <b>2,000</b>  | <b>9%</b>  | <b>23,000</b>  | <b>8%</b>  |
| <b>Government, Total</b>                    | <b>2,000</b>   | <b>1%</b>   | <b>1,000</b>   | <b>2%</b>  | <b>3,000</b>  | <b>7%</b>  | <b>4,000</b>   | <b>4%</b>  | <b>-1,000</b> | <b>-3%</b> | <b>-1,000</b> | <b>-3%</b> | <b>-2,000</b> | <b>-3%</b> | <b>-1,000</b> | <b>-2%</b> | <b>3,000</b>   | <b>1%</b>  |
| Federal Government, exc. US Post Office     | -4,000         | -15%        | -1,000         | -13%       | -1,000        | -13%       | -2,000         | -13%       | -1,000        | -10%       | 0             | 0%         | -2,000        | -15%       | -1,000        | -25%       | -8,000         | -13%       |
| State Government, exc. Educ. & Hosp.        | -1,000         | -7%         | -1,000         | -20%       | 0             | 0%         | -1,000         | -10%       | -1,000        | -20%       | -2,000        | -12%       | -3,000        | -14%       | -1,000        | -8%        | -6,000         | -10%       |
| Local Government, exc. Educ. & Hosp.        | 7,000          | 6%          | 3,000          | 7%         | 4,000         | 17%        | 7,000          | 10%        | 2,000         | 9%         | 2,000         | 12%        | 3,000         | 8%         | 1,000         | 4%         | 17,000         | 7%         |

Data Source: Illinois Department of Employment Security (IDES), Industry Projections LWIA data

percentage change in industry wages has a higher value than the percentage change in CPI then it can be said that wages are staying ahead of inflation. If the industry wages are lower than the CPI percentage change then the wage are not staying up with inflation.

The industries that had statewide wages that did not keep up with inflation were construction, retail trade, and transportation & warehousing. Industries that barely eclipsed the 10-year change in CPI were educational services, health care & social assistance, and arts, entertainment & recreation. All other industries had at least a 30 percent increase in wages with finance & insurance, and management of companies & enterprises having over a 40 percent increase.

## Changes in Projected Employment

**Exhibit C4** (*on the previous page*) shows that employment growth from 2010 to 2020 is projected to be 173,000 (33 percent of statewide employment growth) for LWIACAT A; 236,000 (46 percent of statewide employment growth) for LWIACAT B (split between 30 percent for B1 and 16 percent for B2); 79,000 (15 percent of statewide employment growth) for LWIACAT C (9 percent for C1 and 6 percent for C2); and 29,000 (6 percent of statewide employment growth) for LWIACAT D. Employment projections by industry vary over the different workforce area categories.

In area A, the biggest increases are expected to be in educational and health services (+68,000; 38 percent of the projected statewide employment growth in this industry); and professional and business services (+62,000; 41 percent of statewide growth). Other increases are expected for leisure and hospitality (+37,000; 48 percent of statewide growth); and construction (+12,000; 71 percent of statewide growth). Employment declines are projected in manufacturing (-22,000; 81 percent of the projected statewide employment decline in this industry); and information (-5,000; 250 percent of the statewide decline).

Area B shows projected employment increases in professional and business services (+67,000; 44 percent of the projected statewide employment growth in this industry); educational and health services (+65,000; 36 percent of statewide growth); trade, transportation, and utilities (+42,000; 74 percent of statewide growth); leisure and hospitality (+26,000; 34 percent of statewide growth); and financial activities (+18,000; 51 percent of statewide growth). Manufacturing is projected to decline (-4,000; 15 percent of the expected statewide decrease).

Area C is expecting employment growth in educational and health services (+35,000; 19 percent of projected statewide employment growth in this industry); professional and business services (+17,000; 11 percent of statewide growth); leisure and hospitality (+11,000; 14 percent of statewide growth); trade, transportation, and utilities (+8,000; 14 percent of statewide growth); and financial activities (+6,000; 17 percent of statewide growth). A decline in employment is projected for manufacturing (-1,000; 4 percent of the expected statewide decline) and state government (-3,000; 50 percent of the statewide decline).

Area D is projected to have employment increases in educational and health services (+12,000; 7 percent of projected statewide employment growth in this industry); leisure and hospitality (+5,000; 6 percent of statewide growth); professional and business services (+5,000; 3 percent of statewide growth); trade, transportation, and utilities (+4,000; 7 percent of statewide growth); and financial activities (+3,000; 9 percent of statewide growth).

The occupational projections employment totals by LWIA category are identical to the employment totals for the industry projections by LWIA category. Employment increases and decreases have been compiled by occupational category for 2010 – 2020 by the workforce area categories.

**Exhibit C5** (*on the following page*) shows that employment increases in area A are projected for food preparation and serving occupations (+30,000; 45 percent of projected statewide employment growth in this occupational category); healthcare practitioners and technician occupations (+20,000; 45 percent of statewide growth); education, training, and library occupations (+17,000; 27 percent of statewide growth); healthcare support occupations (+13,000; 50 percent of statewide growth); personal care and service occupations (+12,000; 46 percent of statewide growth); computer and mathematical occupations (+11,000; 42 percent of statewide growth); and construction and extraction occupations (+9,000; 60 percent of statewide growth). An employment decline is expected in production occupations (-10,000; 250 percent of the projected statewide employment decline).

Area B has projected employment growth in education, training and library occupations (+30,000; 48 percent of projected statewide employment growth in this occupational category); office and administrative support occupations (+26,000; 60 percent of statewide growth); sales and related occupations (+23,000; 66 percent of statewide growth); food preparation and serving occupations (+22,000; 33 percent of



## Exhibit C5: Occupational Projections (2010-2020) – Level Change and Percentage Change in Occupational Employment

| Standard Occupational Classification (SOC)<br>Title | LWIACAT A               |           | LWIACAT B1              |            | LWIACAT B2              |            | LWIACAT B               |            | LWIACAT C1              |           | LWIACAT C2              |           | LWIACAT C               |           | LWIACAT D               |           | ILLINOIS                |           |
|---|-------------------------|-----------|-------------------------|------------|-------------------------|------------|-------------------------|------------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|
|   | Emp Change<br>2010-2020 | %         | Emp Change<br>2010-2020 | %          | Emp Change<br>2010-2020 | %          | Emp Change<br>2010-2020 | %          | Emp Change<br>2010-2020 | %         | Emp Change<br>2010-2020 | %         | Emp Change<br>2010-2020 | %         | Emp Change<br>2010-2020 | %         | Emp Change<br>2010-2020 | %         |
| <b>Total, All Occupations</b>                       | <b>173,000</b>          | <b>7%</b> | <b>154,000</b>          | <b>13%</b> | <b>81,000</b>           | <b>13%</b> | <b>236,000</b>          | <b>13%</b> | <b>47,000</b>           | <b>8%</b> | <b>33,000</b>           | <b>7%</b> | <b>79,000</b>           | <b>8%</b> | <b>29,000</b>           | <b>5%</b> | <b>517,000</b>          | <b>9%</b> |
| Management Occupations                              | 4,000                   | 2%        | 6,000                   | 8%         | 3,000                   | 7%         | 9,000                   | 7%         | 1,000                   | 3%        | 1,000                   | 3%        | 2,000                   | 3%        | 2,000                   | 4%        | 17,000                  | 4%        |
| Business & Financial Operations Occs                | 16,000                  | 10%       | 13,000                  | 20%        | 4,000                   | 15%        | 17,000                  | 19%        | 3,000                   | 11%       | 2,000                   | 8%        | 5,000                   | 9%        | 2,000                   | 9%        | 39,000                  | 12%       |
| Computer & Mathematical Occs                        | 11,000                  | 17%       | 10,000                  | 30%        | 2,000                   | 23%        | 13,000                  | 28%        | 1,000                   | 13%       | 1,000                   | 11%       | 2,000                   | 12%       | 1,000                   | 9%        | 26,000                  | 20%       |
| Architecture & Engineering Occs                     | 2,000                   | 7%        | 2,000                   | 9%         | 1,000                   | 14%        | 3,000                   | 11%        | 1,000                   | 6%        | 0                       | 5%        | 1,000                   | 6%        | 0                       | 4%        | 6,000                   | 8%        |
| Life, Physical & Social Science Occs                | 2,000                   | 10%       | 1,000                   | 15%        | 0                       | 13%        | 2,000                   | 14%        | 0                       | 8%        | 0                       | 10%       | 1,000                   | 9%        | 0                       | 9%        | 3,000                   | 11%       |
| Community & Social Services Occs                    | 5,000                   | 11%       | 2,000                   | 18%        | 1,000                   | 15%        | 4,000                   | 16%        | 1,000                   | 15%       | 1,000                   | 8%        | 2,000                   | 12%       | 1,000                   | 9%        | 12,000                  | 12%       |
| Legal Occupations                                   | 4,000                   | 12%       | 1,000                   | 14%        | 0                       | 10%        | 1,000                   | 12%        | 0                       | 11%       | 0                       | 6%        | 1,000                   | 9%        | 0                       | 6%        | 5,000                   | 12%       |
| Education, Training & Library Occs                  | 17,000                  | 10%       | 18,000                  | 26%        | 12,000                  | 22%        | 30,000                  | 24%        | 7,000                   | 20%       | 6,000                   | 15%       | 13,000                  | 17%       | 4,000                   | 9%        | 63,000                  | 16%       |
| Arts/Design/Entertain., Spts/Med. Occs              | 2,000                   | 3%        | 2,000                   | 12%        | 1,000                   | 12%        | 3,000                   | 12%        | 1,000                   | 7%        | 1,000                   | 9%        | 1,000                   | 8%        | 1,000                   | 7%        | 6,000                   | 6%        |
| Healthcare Practitioners & Tech. Occs               | 20,000                  | 13%       | 9,000                   | 16%        | 5,000                   | 14%        | 14,000                  | 15%        | 5,000                   | 13%       | 3,000                   | 10%       | 8,000                   | 12%       | 3,000                   | 9%        | 44,000                  | 13%       |
| Healthcare Support Occupations                      | 13,000                  | 19%       | 5,000                   | 18%        | 3,000                   | 16%        | 7,000                   | 17%        | 3,000                   | 15%       | 2,000                   | 14%       | 4,000                   | 15%       | 2,000                   | 12%       | 26,000                  | 17%       |
| Protective Service Occupations                      | 5,000                   | 7%        | 3,000                   | 11%        | 2,000                   | 12%        | 5,000                   | 11%        | 1,000                   | 6%        | 1,000                   | 6%        | 1,000                   | 6%        | 0                       | -1%       | 10,000                  | 7%        |
| Food Preparation & Serving Occs                     | 30,000                  | 16%       | 14,000                  | 18%        | 8,000                   | 16%        | 22,000                  | 17%        | 5,000                   | 12%       | 5,000                   | 14%       | 10,000                  | 13%       | 4,000                   | 10%       | 66,000                  | 15%       |
| Building & Grounds Cng & Maint. Occs                | 9,000                   | 9%        | 9,000                   | 19%        | 4,000                   | 18%        | 13,000                  | 19%        | 2,000                   | 11%       | 2,000                   | 10%       | 4,000                   | 11%       | 1,000                   | 7%        | 26,000                  | 12%       |
| Personal Care & Service Occupations                 | 12,000                  | 14%       | 6,000                   | 18%        | 4,000                   | 18%        | 9,000                   | 18%        | 2,000                   | 14%       | 2,000                   | 13%       | 4,000                   | 13%       | 1,000                   | 11%       | 26,000                  | 15%       |
| Sales & Related Occupations                         | 6,000                   | 2%        | 15,000                  | 11%        | 8,000                   | 12%        | 23,000                  | 11%        | 2,000                   | 3%        | 3,000                   | 6%        | 4,000                   | 4%        | 2,000                   | 4%        | 35,000                  | 6%        |
| Office & Administrative Support Occs                | 8,000                   | 2%        | 18,000                  | 10%        | 8,000                   | 10%        | 26,000                  | 10%        | 5,000                   | 6%        | 3,000                   | 4%        | 7,000                   | 5%        | 2,000                   | 2%        | 43,000                  | 5%        |
| Farming, Fishing & Forestry Occs                    | 0                       | -1%       | 0                       | -2%        | -1,000                  | -11%       | -1,000                  | -9%        | -1,000                  | -12%      | -1,000                  | -13%      | -2,000                  | -12%      | -3,000                  | -13%      | -6,000                  | -12%      |
| Construction & Extraction Occupations               | 9,000                   | 11%       | 3,000                   | 7%         | 2,000                   | 6%         | 5,000                   | 7%         | 1,000                   | 4%        | 0                       | 0%        | 1,000                   | 2%        | 0                       | 2%        | 15,000                  | 7%        |
| Installation, Maintenance & Repair Occs             | 4,000                   | 5%        | 4,000                   | 9%         | 2,000                   | 10%        | 6,000                   | 9%         | 1,000                   | 7%        | 1,000                   | 5%        | 2,000                   | 6%        | 1,000                   | 5%        | 13,000                  | 7%        |
| Production Occupations                              | -10,000                 | -6%       | 1,000                   | 2%         | 3,000                   | 5%         | 4,000                   | 3%         | 1,000                   | 1%        | 0                       | 1%        | 1,000                   | 1%        | 1,000                   | 2%        | -4,000                  | -1%       |
| Transportation & Material Moving Occs               | 5,000                   | 3%        | 12,000                  | 14%        | 9,000                   | 18%        | 21,000                  | 15%        | 5,000                   | 11%       | 2,000                   | 8%        | 7,000                   | 10%       | 3,000                   | 7%        | 36,000                  | 8%        |

Data Source: Illinois Department of Employment Security (IDES), Occupational Projections LWIA data

Data Source: Illinois Department of Employment Security (IDES), Occupational Projections LWIA data & Illinois data

statewide growth); transportation and material moving occupations (+21,000; 58 percent of statewide growth); business and financial occupations (+17,000; 44 percent of statewide growth); healthcare practitioners and technician occupations (+14,000; 32 percent of statewide growth); computer and mathematical occupations (+13,000; 50 percent of statewide growth); and building and grounds cleaning and maintenance occupations (+13,000; 50 percent).

Area C shows projected employment growth in education, training and library occupations (+13,000; 21 percent of projected statewide employment growth in this occupational category); food preparation and serving occupations (+10,000; 15 percent of statewide growth); healthcare practitioners and technician occupations (+8,000; 18 percent of statewide growth); transportation and material moving occupations (+7,000; 19 percent of statewide growth); office and administrative support occupations (+7,000; 16 percent of statewide growth); and business and financial operations occupations (+5,000; 13 percent of statewide growth). Employment declines are projected in farming, fishing, and forestry occupations (-2,000; 33 percent of the projected statewide employment decline in this occupational category).

Area D shows projected employment growth in education, training and library occupations (+4,000; 6 percent of projected statewide employment growth in this occupational category); food preparation and serving occupations (+4,000; 6 percent of statewide growth); healthcare practitioners and technician occupations (+3,000; 7 percent of statewide growth); transportation and material moving occupations (+3,000; 8 percent of statewide growth); management occupations (+2,000; 12 percent of statewide growth); and healthcare support occupations (+2,000; 8 percent of statewide growth). Employment declines are projected in farming, fishing, and forestry occupations (-3,000; 50 percent of the projected statewide employment decline in this occupational category).

## Wages, Earnings Distribution, and Income

Occupational wage data in **Exhibit C6** shows that the wages paid in LWIACAT A and for the LWIAs within LWIACAT B1 are above the statewide average with wages for the remaining areas falling below that average. Ranking the order of the average wages for the workforce area

### Exhibit C6: Occupational wages for SOC 00-0000 / Total, All Occupations

| LWIACAT  | LWIA | Entry Wage |          | Median Wage |          | Experienced Wage |          |
|----------|------|------------|----------|-------------|----------|------------------|----------|
|          |      | Hourly     | Annual   | Hourly      | Annual   | Hourly           | Annual   |
| A        | 27   | \$10.07    | \$20,949 | \$18.11     | \$37,667 | \$31.55          | \$65,627 |
| B1       | 1    | \$10.08    | \$20,960 | \$17.99     | \$37,410 | \$30.95          | \$64,385 |
|          | 6    | \$10.36    | \$21,553 | \$18.75     | \$39,010 | \$32.17          | \$66,907 |
|          | 10   | \$9.62     | \$20,002 | \$16.31     | \$33,928 | \$26.47          | \$55,061 |
| B2       | 2    | \$9.51     | \$19,776 | \$16.16     | \$33,617 | \$25.92          | \$53,904 |
|          | 5    | \$9.44     | \$19,631 | \$16.06     | \$33,402 | \$26.91          | \$55,981 |
|          | 22   | \$9.34     | \$19,436 | \$15.22     | \$31,659 | \$24.36          | \$50,678 |
|          | 24   | \$9.36     | \$19,460 | \$15.00     | \$31,208 | \$24.57          | \$51,111 |
| C1       | 3    | \$9.51     | \$19,771 | \$15.42     | \$32,068 | \$24.90          | \$51,786 |
|          | 11   | \$9.47     | \$19,701 | \$15.74     | \$32,740 | \$25.29          | \$52,610 |
|          | 13   | \$9.49     | \$19,742 | \$15.20     | \$31,616 | \$25.05          | \$52,107 |
|          | 15   | \$9.68     | \$20,139 | \$16.20     | \$33,704 | \$26.91          | \$55,963 |
|          | 18   | \$9.45     | \$19,651 | \$15.34     | \$31,898 | \$23.56          | \$49,007 |
|          | 19   | \$9.69     | \$20,161 | \$16.74     | \$34,812 | \$25.32          | \$52,672 |
| C2       | 16   | \$9.70     | \$20,171 | \$16.53     | \$34,389 | \$28.12          | \$58,486 |
|          | 17   | \$9.58     | \$19,927 | \$16.46     | \$34,238 | \$28.93          | \$60,173 |
|          | 20   | \$9.50     | \$19,756 | \$15.59     | \$32,423 | \$25.90          | \$53,879 |
| D        | 4    | \$9.47     | \$19,691 | \$14.55     | \$30,257 | \$22.81          | \$47,450 |
|          | 14   | \$9.32     | \$19,391 | \$13.92     | \$28,954 | \$21.01          | \$43,702 |
|          | 21   | \$9.27     | \$19,286 | \$14.60     | \$30,359 | \$22.83          | \$47,496 |
|          | 23   | \$9.27     | \$19,289 | \$13.73     | \$28,559 | \$21.21          | \$44,106 |
|          | 25   | \$9.16     | \$19,050 | \$14.32     | \$29,780 | \$22.71          | \$47,243 |
|          | 26   | \$9.15     | \$19,036 | \$14.46     | \$30,081 | \$22.23          | \$46,232 |
| ILLINOIS |      | \$9.81     | \$20,415 | \$17.06     | \$35,484 | \$29.11          | \$60,558 |
| U.S.     |      | N/A        | N/A      | \$16.71     | \$34,750 | N/A              | N/A      |

Data Source: Illinois Department of Employment Security (IDES), Occupational Wages LWIA & Illinois data, Bureau of Labor Statistics, U.S. data

## Exhibit C7: Earnings Distribution for Recent 12 Months

|            | # of Full-Time,<br>Year-round<br>Workers with<br>Earnings | % of<br>Illinois<br>Total | \$1 to<br>\$24,999 | \$25,000 to<br>\$49,999 | \$50,000 to<br>\$74,999 | \$75,000<br>or more | Mean<br>Earnings |
|------------|---|---------------------------|--------------------|-------------------------|-------------------------|---------------------|------------------|
| LWIACAT A  | 1,702,470   | 40.7%                     | 18.5%              | 35.0%                   | 22.5%                   | 24.1%               | \$63,599         |
| LWIACAT B1 | 795,764   | 19.0%                     | 14.1%              | 30.0%                   | 22.8%                   | 33.1%               | \$74,256         |
| LWIACAT B2 | 565,682   | 13.5%                     | 17.1%              | 35.6%                   | 23.8%                   | 23.5%               | \$59,508         |
| LWIACAT B  | 1,361,446   | 32.5%                     | 15.3%              | 32.3%                   | 23.2%                   | 29.1%               | \$68,128         |
| LWIACAT C1 | 387,961   | 9.3%                      | 20.2%              | 40.3%                   | 22.7%                   | 16.8%               | \$52,769         |
| LWIACAT C2 | 296,718   | 7.1%                      | 18.9%              | 39.2%                   | 23.8%                   | 18.2%               | \$53,931         |
| LWIACAT C  | 684,679   | 16.4%                     | 19.6%              | 39.8%                   | 23.2%                   | 17.4%               | \$53,273         |
| LWIACAT D  | 434,699   | 10.4%                     | 24.4%              | 43.5%                   | 20.6%                   | 11.4%               | \$45,850         |
| ILLINOIS   | 4,183,294   |                           | 18.3%              | 35.8%                   | 22.7%                   | 23.3%               | \$61,539         |
| U.S.       | 99,485,682  |                           | 20.3%              | 37.7%                   | 21.0%                   | 20.8%               | \$57,906         |

Data Source: Earnings - American Community Survey (ACS) 5-year estimates (2008-12), S2001

## Exhibit C8: Earnings Distribution for Females for Recent 12 Months

|            | # of Full-Time,<br>Year-round<br>Workers with<br>Earnings | % of<br>Illinois<br>Total | \$1 to<br>\$24,999 | \$25,000 to<br>\$49,999 | \$50,000 to<br>\$74,999 | \$75,000<br>or more | Mean<br>Earnings |
|------------|---|---------------------------|--------------------|-------------------------|-------------------------|---------------------|------------------|
| LWIACAT A  | 763,113   | 42.2%                     | 20.6%              | 38.6%                   | 22.8%                   | 17.9%               | \$53,452         |
| LWIACAT B1 | 324,534   | 18.0%                     | 17.4%              | 37.5%                   | 23.6%                   | 21.6%               | \$57,245         |
| LWIACAT B2 | 237,626   | 13.1%                     | 22.9%              | 42.2%                   | 21.5%                   | 13.3%               | \$46,939         |
| LWIACAT B  | 562,160   | 31.1%                     | 19.7%              | 39.5%                   | 22.7%                   | 18.1%               | \$52,889         |
| LWIACAT C1 | 167,819   | 9.3%                      | 28.6%              | 45.7%                   | 17.5%                   | 8.2%                | \$40,694         |
| LWIACAT C2 | 131,235   | 7.3%                      | 24.8%              | 44.5%                   | 20.6%                   | 10.0%               | \$43,790         |
| LWIACAT C  | 299,054   | 16.5%                     | 27.0%              | 45.2%                   | 18.8%                   | 9.0%                | \$42,053         |
| LWIACAT D  | 183,271   | 10.1%                     | 34.9%              | 46.0%                   | 14.0%                   | 5.1%                | \$36,064         |
| ILLINOIS   | 1,807,598   |                           | 22.8%              | 40.7%                   | 21.2%                   | 15.2%               | \$49,628         |
| U.S.       | 42,627,670  |                           | 24.9%              | 42.0%                   | 19.3%                   | 13.8%               | \$47,275         |

Data Source: Earnings - American Community Survey (ACS) 5-year estimates (2008-12), S2001

## Exhibit C9: Household Income, by Component

|            | Mean<br>Income,<br>All<br>HHs | Amounts of Income for Households with .... |  |                              |   |  |                  |          |
|------------|-------------------------------|--|--|------------------------------|---|--|------------------|----------|
|            |                               | Earnings                                   | Interest,<br>Dividends,<br>or Net Rental<br>Income | Social<br>Security<br>Income | Supplemental<br>Security<br>Income<br>(SSI) | Cash<br>Public<br>Assistance<br>Income | Rental<br>Income |          |
| LWIACAT A  | 40.5%                         | \$77,976                                   | \$81,044   | \$17,773                     | \$16,424                                    | \$9,340                                | \$3,676          | \$25,363 |
| LWIACAT B1 | 16.7%                         | \$101,691                                  | \$100,986  | \$18,129                     | \$18,609                                    | \$9,898                                | \$4,772          | \$27,844 |
| LWIACAT B2 | 12.9%                         | \$78,100                                   | \$77,308   | \$12,331                     | \$17,472                                    | \$9,615                                | \$3,909          | \$25,022 |
| LWIACAT B  | 29.6%                         | \$91,422                                   | \$90,912   | \$15,859                     | \$18,082                                    | \$9,751                                | \$4,379          | \$26,521 |
| LWIACAT C1 | 10.3%                         | \$64,065                                   | \$65,572   | \$12,001                     | \$17,294                                    | \$9,662                                | \$3,254          | \$20,936 |
| LWIACAT C2 | 7.5%                          | \$67,268                                   | \$63,611   | \$11,495                     | \$16,809                                    | \$9,116                                | \$3,675          | \$22,338 |
| LWIACAT C  | 17.9%                         | \$65,416                                   | \$64,725   | \$11,776                     | \$17,105                                    | \$9,455                                | \$3,415          | \$21,519 |
| LWIACAT D  | 12.0%                         | \$56,751                                   | \$56,816   | \$11,083                     | \$16,444                                    | \$9,054                                | \$2,994          | \$20,849 |
| ILLINOIS   |                               | \$77,163                                   | \$78,601   | \$15,262                     | \$17,009                                    | \$9,408                                | \$3,722          | \$24,165 |
| U.S.       |                               | \$73,034                                   | \$74,373   | \$16,134                     | \$16,727                                    | \$8,912                                | \$3,807          | \$23,126 |

|            | Mean<br>Income,<br>All<br>HHs | %s of Households with ....                         |                              |   |  |                  |      |       |
|------------|-------------------------------|--|------------------------------|---|--|------------------|------|-------|
|            |                               | Interest,<br>Dividends,<br>or Net Rental<br>Income | Social<br>Security<br>Income | Supplemental<br>Security<br>Income<br>(SSI) | Cash<br>Public<br>Assistance<br>Income | Rental<br>Income |      |       |
| LWIACAT A  | 40.5%                         | \$77,976   | 79.9%                        | 21.8%                                       | 24.4%                                  | 4.5%             | 3.1% | 13.8% |
| LWIACAT B1 | 16.7%                         | \$101,691  | 85.1%                        | 28.9%                                       | 22.8%                                  | 2.2%             | 1.6% | 15.2% |
| LWIACAT B2 | 12.9%                         | \$78,100   | 81.8%                        | 24.2%                                       | 25.5%                                  | 3.1%             | 1.7% | 17.4% |
| LWIACAT B  | 29.6%                         | \$91,422   | 83.7%                        | 26.9%                                       | 24.0%                                  | 2.6%             | 1.7% | 16.2% |
| LWIACAT C1 | 10.3%                         | \$64,065   | 75.9%                        | 23.1%                                       | 30.8%                                  | 4.1%             | 2.1% | 20.5% |
| LWIACAT C2 | 7.5%                          | \$67,268   | 79.1%                        | 25.4%                                       | 27.2%                                  | 3.4%             | 1.8% | 20.0% |
| LWIACAT C  | 17.9%                         | \$65,416   | 77.3%                        | 24.1%                                       | 29.3%                                  | 3.8%             | 1.9% | 20.3% |
| LWIACAT D  | 12.0%                         | \$56,751   | 73.5%                        | 23.7%                                       | 34.4%                                  | 4.1%             | 1.8% | 21.0% |
| ILLINOIS   |                               | \$77,163   | 79.8%                        | 23.9%                                       | 26.3%                                  | 3.8%             | 2.3% | 16.5% |
| U.S.       |                               | \$73,034   | 78.7%                        | 22.4%                                       | 28.3%                                  | 4.6%             | 2.7% | 17.6% |

Data Source: Earnings - American Community Survey (ACS) 5-year estimates (2008-12), S2001

categories shows that an approximate order, for higher wages to lower wages would be: 1) A; 2) B1; 3) C2; 4) tie between B2 and C1; 6) D.

It should be noted from a review of the data that entry level wages are similar across workforce areas. This is primarily due to the wage floor set by the minimum wage. The differences in wages from area to area becomes larger as you move from entry to median wages and beyond to the experienced worker category.

Data in **Exhibit C7** describe the earnings of those individuals, 16 years of age and over, who worked full-time and year-round, in the workforce area categories. The area with the highest mean earnings is B1, with a distinct drop-off to A and B2. Another drop-off occurs before areas C2 and C1 with D at a significantly lower level. Area B1 has about one third of its workers earning at least \$75,000. The proportion of workers earning at least \$75,000 also has a drop-off to A and then B2. Areas C2, C1, and D follow in the same order and pattern for proportion of workers earning at least \$75,000 as they did for mean earnings.

Area B1 accounts for 19.0 percent of statewide, full-time, year-round workers, while area A accounts for 40.7 percent and B2 for 13.5 percent (73.2 percent for A, B1, and B2 combined). The proportions of the full-time working populations with earnings in the \$1 to \$24,999, and \$25,000 to \$49,999 ranges are much higher for areas C1, C2, and D than they are for areas A, B1, and B2. Differences in earnings for the workers are due to a number of factors including skill level demanded by jobs in an area, cost of living for an area, and the skills supplied by the area workforce.

Earnings data in **Exhibit C8** for females that worked full-time, year-round show that the statewide average earnings for women is \$49,628. This is 19.4 percent smaller than the overall state average (males and females) of \$61,539. The female averages are closest to the overall average for area A (16.0 percent lower) and area C2 (18.8 percent lower). The biggest differences in female earnings compared to overall average earnings for a workforce category are area B1 (22.9 percent lower) and area C1 (22.9 percent lower).

Data is available in **Exhibit C9** that breaks out household income estimates by component (Work earnings; interest, dividends or net rental income; Social Security income;

## Exhibit C10: Per Capita Income

|                  | Total<br>Population | One race alone  |                 |                 | Hispanic        |
|------------------|---------------------|-----------------|-----------------|-----------------|-----------------|
|                  |                     | White           | Black           | Asian           |                 |
| <b>LWIACAT A</b> | <b>\$30,048</b>     | <b>\$37,717</b> | <b>\$19,260</b> | <b>\$32,431</b> | <b>\$15,890</b> |
| LWIACAT B1       | \$35,995            | \$38,902        | \$23,617        | \$35,072        | \$17,509        |
| LWIACAT B2       | \$28,630            | \$30,130        | \$16,130        | \$27,158        | \$15,148        |
| <b>LWIACAT B</b> | <b>\$32,846</b>     | <b>\$35,097</b> | <b>\$20,016</b> | <b>\$33,625</b> | <b>\$16,575</b> |
| LWIACAT C1       | \$25,690            | \$27,091        | \$13,186        | \$34,345        | \$13,132        |
| LWIACAT C2       | \$27,180            | \$26,556        | \$11,733        | \$20,256        | \$13,720        |
| <b>LWIACAT C</b> | <b>\$26,312</b>     | <b>\$26,863</b> | <b>\$12,701</b> | <b>\$25,870</b> | <b>\$13,278</b> |
| <b>LWIACAT D</b> | <b>\$23,174</b>     | <b>\$24,008</b> | <b>\$8,961</b>  | <b>\$24,080</b> | <b>\$12,433</b> |
| ILLINOIS         | \$29,519            | \$32,703        | \$18,360        | \$32,138        | \$15,850        |
| U.S.             | \$28,051            | \$30,849        | \$18,788        | \$31,345        | \$15,993        |

Data Source: American Community Survey (ACS) 5-year estimates (2008-12), S1902

## Exhibit C11: Population by Race, Hispanic Ethnicity, Ages 55 and Over, Disability

|                  | Total<br>Population | One Race Alone |              |             |              | Hispanic     | 55 and<br>Over | % With a<br>Disability * |
|------------------|---------------------|----------------|--------------|-------------|--------------|--------------|----------------|--------------------------|
|                  |                     | White          | Black        | Asian       | Other        |              |                |                          |
| <b>LWIACAT A</b> | <b>5,197,677</b>    | <b>56.5%</b>   | <b>24.7%</b> | <b>6.3%</b> | <b>12.5%</b> | <b>24.0%</b> | <b>23.0%</b>   | <b>10.1%</b>             |
| LWIACAT B1       | 2,297,559           | 78.6%          | 7.1%         | 7.3%        | 6.9%         | 16.0%        | 22.0%          | 7.7%                     |
| LWIACAT B2       | 1,716,162           | 80.7%          | 8.8%         | 2.2%        | 8.3%         | 14.0%        | 22.4%          | 9.4%                     |
| <b>LWIACAT B</b> | <b>4,013,721</b>    | <b>79.5%</b>   | <b>7.9%</b>  | <b>5.1%</b> | <b>7.5%</b>  | <b>15.1%</b> | <b>22.2%</b>   | <b>8.4%</b>              |
| LWIACAT C1       | 1,264,620           | 83.2%          | 10.9%        | 1.6%        | 4.4%         | 7.5%         | 27.6%          | 12.1%                    |
| LWIACAT C2       | 906,714             | 86.1%          | 7.6%         | 3.4%        | 2.9%         | 3.4%         | 25.3%          | 10.9%                    |
| <b>LWIACAT C</b> | <b>2,171,334</b>    | <b>84.4%</b>   | <b>9.5%</b>  | <b>2.4%</b> | <b>3.7%</b>  | <b>5.8%</b>  | <b>26.6%</b>   | <b>11.6%</b>             |
| <b>LWIACAT D</b> | <b>1,441,128</b>    | <b>93.0%</b>   | <b>3.8%</b>  | <b>0.7%</b> | <b>2.5%</b>  | <b>3.4%</b>  | <b>30.0%</b>   | <b>14.2%</b>             |
| ILLINOIS         | 12,823,860          | 72.5%          | 14.5%        | 4.6%        | 8.3%         | 15.8%        | 24.1%          | 10.3%                    |
| U.S.             | 309,138,711         | 74.2%          | 12.6%        | 4.8%        | 8.4%         | 16.4%        | 25.0%          | 12.0%                    |

Data Sources: Race, Ethnicity, Age - American Community Survey (ACS) 5-year estimates (2008-12), S0601, Disability - American Community Survey (ACS) 5-year estimates (2008-12), S1810

\* Note: Disability proportions calculated using Total Civilian Noninstitutionalized Population, which is slightly smaller than Total Population

Supplemental Security income (SSI); cash public assistance income; and rental income). The workforce categorical areas with the highest proportion of households that have work earnings are B1 (85.1 percent) and B2 (81.8 percent). The areas with the highest proportion of Social Security income are D (34.4 percent) and C1 (30.8 percent). The areas with the highest proportion of Supplemental Security income (SSI) are A (4.5 percent), C1 (4.1 percent), and D (4.1 percent). The area with the highest proportion of cash public assistance income was A (3.1 percent). The area with the highest proportion of rental income was D (21.0 percent).

The data in **Exhibit C10** show that area B1 is the workforce area category with the highest per capita income. It also has the highest per capita incomes for one race alone categories (white, black and Asian) as well as for people of Hispanic ethnicity. The lowest per capita income for whites and blacks (one race alone) as well as Hispanics was in area D. The lowest per capita income for Asians (one race alone) was in area C2. (Note: It should be recognized that large state universities are present in area C2 and the income data for the relatively small total of individuals of a particular race/ethnicity could be distorted by the number of students of that race/ethnicity receiving education at these universities with little or no income).

## Demographics of Illinois and Sub-State Population

Data in **Exhibit C11** show the proportions of the population by race (one race alone and other), Hispanic ethnicity, people aged 55 years and over, and those with a disability. The combined population of areas A, B1 and B2 account for almost 72 percent of the state's population. Areas C1 and C2 combine for almost 17 percent of the state's population and area D accounts for over 11 percent of the state's population.

LWIACAT A is by far the most racially and ethnically diverse of any of the workforce area categories. It is comprised of 56.5 percent white (white race alone), 24.7 percent black (black race alone), 6.3 percent Asian (Asian race alone), and 12.5 percent other (other single races alone and mixed races). The proportion of the population in area A that is Hispanic is 24.0 percent, 50 percent higher than any other workforce area category in Illinois. In addition, 23.0 percent of the population

## Exhibit C12: Population by Occupational Class

|            | Civ. Employed<br>Population,<br>16 and over | Mngmnt., Busin.,<br>Science and Arts<br>Occs. | Service<br>Occs. | Sales &<br>Office<br>Occs. | Nat. Rsrcs.,<br>Constr., &<br>Maint. Occs. | Prod., Trans.,<br>& Mat. Mvng.<br>Occs. |
|------------|---|---|------------------|----------------------------|--|---|
| LWIACAT A  | 2,424,917                                   | 37.4%   | 17.9%            | 25.0%                      | 6.5%                                       | 13.2%                                   |
| LWIACAT B1 | 1,130,237                                   | 41.0%   | 14.1%            | 26.6%                      | 7.0%                                       | 11.4%                                   |
| LWIACAT B2 | 819,957                                     | 34.6%   | 16.4%            | 26.1%                      | 8.5%                                       | 14.5%                                   |
| LWIACAT B  | 1,950,194                                   | 38.3%   | 15.1%            | 26.4%                      | 7.6%                                       | 12.7%                                   |
| LWIACAT C1 | 573,477                                     | 30.7%   | 17.6%            | 24.9%                      | 9.0%                                       | 17.8%                                   |
| LWIACAT C2 | 441,267                                     | 38.2%   | 17.7%            | 24.9%                      | 7.8%                                       | 11.4%                                   |
| LWIACAT C  | 1,014,744                                   | 34.0%   | 17.6%            | 24.9%                      | 8.5%                                       | 15.0%                                   |
| LWIACAT D  | 645,571                                     | 28.2%   | 19.1%            | 23.6%                      | 10.9%                                      | 18.2%                                   |
| ILLINOIS   | 6,035,426                                   | 36.1%   | 17.1%            | 25.3%                      | 7.7%                                       | 13.9%                                   |
| U.S.       | 141,996,548                                 | 35.9%   | 17.8%            | 24.9%                      | 9.3%                                       | 12.1%                                   |

*Data Source: Industry by Occupation - American Community Survey (ACS)  
5-year estimates (2008-12), S2405*

in A are ages 55 and older and 10.1 percent of the entire population are disabled. Both of these values are lower than the proportions of the state and are higher only than the proportions in B1 and B2.

B1 and B2 are second and third behind area A in the lowest proportions of white race alone. B1 has the second highest proportion of Asian race. B2 has a slightly higher proportion of black race alone than does B1, and the second highest proportion of other races. B1 and B2 are behind only A in areas with the highest proportion of Hispanics. They are also the two areas with the lowest proportions of population ages 55 and older and proportions with a disability.

Areas C1 and C2 have relatively high proportions of white race alone in their populations. C1 has the second highest proportion (10.9 percent) of black race alone in the population while C2 has the third highest proportion of Asian race alone in the population. Both C1 and C2 have relatively small proportions of other races, and relatively high proportions of population ages 55 and older and population with a disability.

Area D has the highest population proportion of white race alone in the state, while also having the smallest black race alone, Asian race alone, other races, and Hispanic proportions in Illinois. D has the highest population proportions for ages 55 and older, and for disabled individuals.

### Characteristics of Work Population

The data in **Exhibit C12** show proportions of the individuals working in broad occupational classes by local workforce area category. Those proportions change across categories

and as a whole provide a simple overview of the economy that operates in each workforce area category.

The data show that the proportion of the population employed in management, business, science and arts occupations is higher than the proportion for the state in areas A, B1, and C2 with proportions lower than the proportion for the state in B2, C1, and D. Areas A, B1, and C2 represent about 2/3 of Illinois' total employment. Area A is the state's major urban area, B1 represents the area of the three counties that have significant economies of their own, yet still supply a large amount of skilled labor to area A. C2 represents the area around the smaller metropolitan areas in the state that tend to have employment that utilize an educated workforce.

The proportions of sales and office occupations are significantly higher for B1 and B2 than the state proportion. These two areas account for about 1/3 of Illinois' total employment. The proportions are lower for A, C1, C2, and D than the state proportion. B1 and B2 represent the areas (Illinois portions) surrounding the Chicago urban center and the St. Louis urban center.

The proportions for service occupations are higher for A, C1, C2, and D than the proportion for the state, while they are lower than the state proportion for B1 and B2. These occupations generally employ a higher concentration of lower-skilled individuals than do the other occupational classes. A is the state's major urban area; C1 and C2 represent the workforce areas that contain the smaller metropolitan areas, which also include several rural counties. Area D consists of workforce areas that are primarily made up of rural areas.

The proportions of natural resources, construction, and maintenance occupations are higher for B2, C1, C2, and D than the proportion for the state, while being lower than the proportion for the state for A and B1. Construction employment is low all over the state. Higher employment for natural resources is more likely to be concentrated in rural areas, which in the case of Illinois are B2, C1, C2 and D.

The proportions of production, transportation, and material moving occupations are higher than the proportion for the state for B2, C1 and D, while being lower than the state proportion for A, B1 and C2. B2 is more manufacturing-oriented than B1 and C1 is more manufacturing-oriented than C2. D has relatively high levels of manufacturing, transportation and mining compared to state averages.



demand for public transportation to get an individual to their work location.

The convenience and availability of parking at or near the work location may also be factors. Over 50 percent of the workers in area A that utilize public transportation take at least 45 minutes for their work commute. Almost 87 percent of B1 public transportation users and 71 percent of B2 users take at least 45 minutes for their commute. The proportions for C1, C2 and D fall off rapidly probably because the public transportation network that may be available is also likely not to include too many trips of that length.

Data in **Exhibit C14** describe the educational attainment of adults (25 years of age and over) in the workforce area categories. Perhaps the most interesting point of analysis is that area A has the lowest proportion of adults who have at least graduated from high school, yet the second highest proportion of individuals that have received at least a Bachelor's degree. This is a reflection of the diversity of backgrounds in an urban setting.

Area C2 has the highest proportion of individuals who have at least graduated high school (includes GED). Area B1 is second highest, followed by B2. C1 and D follow with A at a significantly lower level. B1 has the highest proportion of adults with at least a Bachelors' degree with C2 the third highest. B2 is a close fourth and then the numbers drop off to C1 and D. It should be noted that areas B1, C2 and A have the three highest proportions of employment in management, business, science and arts occupations.

With respect to the proportions of those with a Bachelor's degree or higher, D, C1, and B2 had the lowest proportions for that characteristic and these three workforce area categories were also the only three areas that exceeded statewide proportion of employment in both the natural resources, construction, and maintenance occupations and the production, transportation, and material moving occupations. Thus completion of a four-year degree is not required to the same extent in these workforce areas as it is in other areas based on the available jobs.

## Exhibit C13: Length of Commute to Work

|            | # of Workers, 16 years and over | # of Workers, 16 and over, Not Working at Home | Less than 24 Min. | 25-44 Min. | 45 or more Min. | # of Workers who use Public Trans. Except Taxi | % of Workers in Area | Less than 24 Min. | 25-44 Min. | 45 or more Min. |
|------------|---------------------------------|--|-------------------|------------|-----------------|--|----------------------|-------------------|------------|-----------------|
| LWIACAT A  | 2,372,336                       | 2,278,500                                      | 41.0%             | 32.9%      | 26.2%           | 420,010  | 17.7%                | 14.9%             | 34.4%      | 50.7%           |
| LWIACAT B1 | 1,118,158                       | 1,062,000                                      | 46.8%             | 28.7%      | 24.6%           | 57,020   | 5.1%                 | 4.1%              | 9.2%       | 86.7%           |
| LWIACAT B2 | 807,039                         | 773,516  | 52.5%             | 26.3%      | 21.1%           | 20,020   | 2.5%                 | 13.4%             | 15.7%      | 71.0%           |
| LWIACAT B  | 1,925,197                       | 1,835,516                                      | 49.2%             | 27.7%      | 23.2%           | 77,040   | 4.0%                 | 6.5%              | 10.9%      | 82.6%           |
| LWIACAT C1 | 563,708                         | 545,572  | 69.1%             | 20.5%      | 10.3%           | 6,388  | 1.1%                 | 29.3%             | 25.3%      | 45.4%           |
| LWIACAT C2 | 434,430                         | 418,657  | 74.3%             | 17.8%      | 8.0%            | 9,568  | 2.2%                 | 57.9%             | 27.7%      | 14.4%           |
| LWIACAT C  | 998,138                         | 964,229  | 71.4%             | 19.3%      | 9.3%            | 15,956   | 1.6%                 | 46.5%             | 26.7%      | 26.8%           |
| LWIACAT D  | 631,125                         | 607,002  | 68.1%             | 19.8%      | 12.1%           | 3,047  | 0.5%                 | 52.4%             | 20.5%      | 27.1%           |
| ILLINOIS   | 5,926,796                       | 5,685,247                                      | 51.7%             | 27.5%      | 20.8%           | 516,053  | 8.7%                 | 14.8%             | 30.6%      | 54.6%           |
| U.S.       | 139,893,639                     | 133,916,010                                    | 58.4%             | 26.1%      | 15.6%           | 6,967,689                                      | 5.0%                 | 17.1%             | 30.2%      | 52.6%           |

Data Source: Means of Transportation - American Community Survey (ACS) 5-year estimates (2008-12), S0802

## Exhibit C14: Educational Attainment

|            | Population, 25 years and over | % of Illinois Pop. | Less than HS Diploma | HS Grad (Includes Equiv.) | Some College, No Deg. | Assoc. Degree | Bach. Degree | Grad. or Prof. Degree | % of HS Grad or Higher | % of Bach. Degree or Higher |
|------------|-------------------------------|--------------------|----------------------|---------------------------|-----------------------|---------------|--------------|-----------------------|------------------------|-----------------------------|
| LWIACAT A  | 3,456,817                     | 40.9%              | 15.9%                | 24.2%                     | 19.5%                 | 6.2%          | 20.7%        | 13.6%                 | 84.2%                  | 34.3%                       |
| LWIACAT B1 | 1,487,216                     | 17.6%              | 9.5%                 | 22.2%                     | 20.7%                 | 6.8%          | 25.2%        | 15.5%                 | 90.5%                  | 40.7%                       |
| LWIACAT B2 | 1,104,867                     | 13.1%              | 11.7%                | 28.0%                     | 23.5%                 | 8.4%          | 18.5%        | 9.9%                  | 88.3%                  | 28.4%                       |
| LWIACAT B  | 2,592,083                     | 30.6%              | 10.4%                | 24.7%                     | 21.9%                 | 7.5%          | 22.3%        | 13.1%                 | 89.6%                  | 35.5%                       |
| LWIACAT C1 | 844,466                       | 10.0%              | 12.6%                | 34.4%                     | 23.7%                 | 8.5%          | 13.6%        | 7.3%                  | 87.4%                  | 20.9%                       |
| LWIACAT C2 | 585,077                       | 6.9%               | 8.8%                 | 30.3%                     | 22.4%                 | 8.1%          | 19.1%        | 11.2%                 | 91.2%                  | 30.4%                       |
| LWIACAT C  | 1,429,543                     | 16.9%              | 11.0%                | 32.7%                     | 23.2%                 | 8.3%          | 15.9%        | 8.9%                  | 89.0%                  | 24.8%                       |
| LWIACAT D  | 981,504                       | 11.6%              | 12.7%                | 36.4%                     | 23.7%                 | 9.7%          | 11.4%        | 6.1%                  | 87.3%                  | 17.5%                       |
| ILLINOIS   | 8,459,947                     |                    | 13.0%                | 27.2%                     | 21.4%                 | 7.4%          | 19.3%        | 11.8%                 | 87.0%                  | 31.1%                       |
| U.S.       | 204,336,017                   |                    | 14.2%                | 28.2%                     | 21.3%                 | 7.7%          | 17.9%        | 10.6%                 | 85.7%                  | 28.5%                       |

Data Source: Educational Attainment - American Community Survey (ACS) 5-year estimates (2008-12), S1501

The data in **Exhibit C13** show the proportion of workers who commute at least 45 minutes to work is highest in area A, with B1 and B2 close behind. The proportions drop significantly for C1 and C2 with D being slightly higher than those two. The data shows that the workers most likely to have lengthy commutes are in the largest labor markets. Some other workers may have to travel far within or from rural labor markets to find suitable employment.

Restricting the count of workers to those that utilize public transportation (excluding taxis) shows that by far the highest proportion of workers to commute this way are in area A. B1 still has a significant proportion commuting with a decline in area B2. C2 has yet another decrease in public transportation usage and then areas C1 and D trail behind. These different levels of utilization are primarily due to the supply of and

## Exhibit C15: Educational Attainment for Females

|            | Population,<br>25 years<br>and over | % of<br>Illinois<br>Pop. | Less than<br>HS<br>Diploma | HS Grad<br>(Includes<br>Equiv.) | Some<br>College,<br>No Deg. | Assoc.<br>Degree | Bach.<br>Degree | Grad. or<br>Prof.<br>Degree | % of HS<br>Grad or<br>Higher | % of Bach.<br>Degree or<br>Higher |
|------------|-------------------------------------|--------------------------|----------------------------|---------------------------------|-----------------------------|------------------|-----------------|-----------------------------|------------------------------|-----------------------------------|
| LWIACAT A  | 1,821,142                           | 41.4%                    | 15.3%                      | 23.8%                           | 19.8%                       | 6.7%             | 20.9%           | 13.5%                       | 84.7%                        | 34.4%                             |
| LWIACAT B1 | 769,151                             | 17.5%                    | 9.1%                       | 22.8%                           | 20.7%                       | 7.7%             | 25.2%           | 14.5%                       | 90.9%                        | 39.7%                             |
| LWIACAT B2 | 568,000                             | 12.9%                    | 11.2%                      | 28.1%                           | 23.8%                       | 8.9%             | 18.2%           | 9.8%                        | 88.8%                        | 28.0%                             |
| LWIACAT B  | 1,337,151                           | 30.4%                    | 10.0%                      | 25.1%                           | 22.0%                       | 8.2%             | 22.2%           | 12.5%                       | 90.0%                        | 34.7%                             |
| LWIACAT C1 | 439,137                             | 10.0%                    | 12.0%                      | 33.7%                           | 24.1%                       | 9.3%             | 13.7%           | 7.1%                        | 88.0%                        | 20.8%                             |
| LWIACAT C2 | 303,114                             | 6.9%                     | 8.2%                       | 30.6%                           | 22.6%                       | 8.9%             | 19.1%           | 10.6%                       | 91.9%                        | 29.8%                             |
| LWIACAT C  | 742,251                             | 16.9%                    | 10.4%                      | 32.4%                           | 23.5%                       | 9.2%             | 15.9%           | 8.6%                        | 89.6%                        | 24.5%                             |
| LWIACAT D  | 498,900                             | 11.3%                    | 11.9%                      | 34.9%                           | 24.7%                       | 10.8%            | 11.6%           | 6.1%                        | 88.1%                        | 17.7%                             |
| ILLINOIS   | 4,399,444                           |                          | 12.5%                      | 26.9%                           | 21.6%                       | 8.0%             | 19.4%           | 11.5%                       | 87.5%                        | 30.9%                             |
| U.S.       | 105,941,114                         |                          | 13.7%                      | 28.0%                           | 21.7%                       | 8.5%             | 17.9%           | 10.2%                       | 86.4%                        | 28.2%                             |

Data Source: Educational Attainment - American Community Survey (ACS) 5-year estimates (2008-12), S1501

## Exhibit C16: Veteran Population and Period of Service of Veterans

|            | Veterans in<br>Civilian<br>Population,<br>18 and over | % of Civ.<br>Population<br>that are<br>Veterans | % of<br>Veterans<br>that are<br>Male | Gulf War<br>Era II<br>(9/2001<br>or later) | Gulf War<br>Era I<br>(8/1990 to<br>8/2001) | Vietnam<br>Era | Korean<br>War<br>Era | World<br>War II<br>Era |
|------------|---|---|--------------------------------------|--|--|----------------|----------------------|------------------------|
| LWIACAT A  | 224,033   | 5.6%  | 94.7%                                | 7.8%                                       | 10.5%                                      | 31.9%          | 12.9%                | 12.9%                  |
| LWIACAT B1 | 116,571   | 7.0%  | 94.3%                                | 8.0%                                       | 13.2%                                      | 36.3%          | 11.3%                | 10.9%                  |
| LWIACAT B2 | 121,215   | 9.6%  | 92.6%                                | 11.6%                                      | 18.9%                                      | 35.3%          | 10.3%                | 8.0%                   |
| LWIACAT B  | 237,786   | 8.1%  | 93.4%                                | 9.8%                                       | 16.1%                                      | 35.8%          | 10.8%                | 9.4%                   |
| LWIACAT C1 | 100,457   | 10.5%   | 94.8%                                | 7.4%                                       | 13.0%                                      | 35.2%          | 12.8%                | 10.5%                  |
| LWIACAT C2 | 66,149  | 9.4%  | 94.2%                                | 10.4%                                      | 14.0%                                      | 35.2%          | 13.3%                | 9.8%                   |
| LWIACAT C  | 166,606   | 10.0%   | 94.6%                                | 8.6%                                       | 13.4%                                      | 35.2%          | 13.0%                | 10.2%                  |
| LWIACAT D  | 126,831   | 11.3%   | 95.1%                                | 8.0%                                       | 12.4%                                      | 35.5%          | 14.2%                | 10.5%                  |
| ILLINOIS   | 755,256   | 7.8%  | 94.3%                                | 8.6%                                       | 13.2%                                      | 34.5%          | 12.5%                | 10.8%                  |
| U.S.       | 21,853,912  | 9.3%  | 92.9%                                | 10.3%                                      | 16.0%                                      | 35.0%          | 11.9%                | 9.6%                   |

Data Source: Veteran Status - American Community Survey (ACS) 5-year estimates (2008-12), S2101

All three areas (D, C1, and B2) exceed the statewide proportion of adults that have completed high school. The three areas also exceed the statewide proportion for attainment of some college, no degree and Associate's degree, which is a better signal that these areas are providing the proper education composition for their workforces.

The data in **Exhibit C15** show that statewide, a higher proportion of females (87.5 percent) relative to the overall (males and females) statewide proportion (87.0 percent) have attained at least a high school education. A lower proportion of females (30.9 percent) than the overall statewide proportion (31.1 percent) have completed a Bachelor's degree or higher. The largest positive difference for females with at least a high school education is area D (0.8 percent), which also has the largest positive difference (0.2 percent) of any workforce category for females with at least a Bachelor's degree.

Area A is the only other workforce category with a positive difference (0.1 percent) for females with at least a Bachelor's

degree. Areas B1 (-1.0 percent) and C2 (-0.6 percent) have the largest negative differences of the workforce categories for females with at least a Bachelor's degree.

Data in **Exhibit C16** show the population proportions, 18 years of age and over, who were veterans of military service, by period of their service. Gulf War Era II veterans (September 2001 and after) represent the recently discharged veterans who would tend to have the highest unemployment rates among veterans and perhaps the most barriers to employment.

The proportion of Gulf War Era II veterans living in workforce area categories is highest for area B2, an area that includes Scott Air Force Base. Veterans sometimes stay in the area of the military base where they were stationed. It could be because of established relationships or because they could find civilian employment connected to the military base. The area with the second highest proportion is C2, which happens to include the capital of state government. Veterans have a higher share of employment in the public sector than they do in the private sector. Veterans tend to be attracted to public sector employment because of veterans' preferences

in hiring and because in some cases their military work experience is a good background for government work.

The area with the third highest proportion is D. This area likely has the fewest career opportunities available for young people and the military may be a more viable option for a larger proportion of young people in the area. C1 has the fourth highest proportion while B1 (fifth highest) and A (lowest) complete the geographies.

The proportions of population that were veterans of the Gulf War Era I (between August 1990 and August 2001) are highest for areas B2, with D and C1 tied for second highest followed by C2, B1, and A. The interesting piece of information here is that C1 is tied for second in Gulf War Era I population proportion while it is fourth in Gulf War Era II population proportion. Area C1 has the highest unemployment rate of any workforce area category and this may be a factor leading recent veterans to not return to the area after military discharge.

## Exhibit C17: Ability to Speak English

|                  | Population,<br>5 years<br>and over | Speak language<br>other than<br>English | Speak<br>English<br>"very well" | Speak English<br>less than<br>"very well" |
|------------------|------------------------------------|---|---------------------------------|---|
| <b>LWIACAT A</b> | <b>5,197,677</b>                   | <b>34.4%</b>                            | <b>19.1%</b>                    | <b>15.3%</b>                              |
| LWIACAT B1       | 2,297,559                          | 24.8%                                   | 15.3%                           | 9.5%                                      |
| LWIACAT B2       | 1,716,162                          | 15.3%                                   | 8.1%                            | 7.1%                                      |
| <b>LWIACAT B</b> | <b>4,013,721</b>                   | <b>20.7%</b>                            | <b>12.2%</b>                    | <b>8.5%</b>                               |
| LWIACAT C1       | 1,264,620                          | 8.1%                                    | 4.9%                            | 3.3%                                      |
| LWIACAT C2       | 906,714                            | 7.3%                                    | 4.7%                            | 2.6%                                      |
| <b>LWIACAT C</b> | <b>2,171,334</b>                   | <b>7.8%</b>                             | <b>4.8%</b>                     | <b>3.0%</b>                               |
| <b>LWIACAT D</b> | <b>1,441,128</b>                   | <b>4.3%</b>                             | <b>2.9%</b>                     | <b>1.4%</b>                               |
| ILLINOIS         | 12,823,860                         | 22.2%                                   | 12.7%                           | 9.5%                                      |
| U.S.             | 309,138,711                        | 20.5%                                   | 11.9%                           | 8.7%                                      |

*Data Source: Language - American Community Survey (ACS) 5-year estimates (2008-12), S0601*

### Barriers to Work

Data in **Exhibit C17** show the proportions of the workforce area category populations (ages 5 and older) that speak a language other than English, and the capability of those that speak another language to speak English.

Area A has 34.4 percent of its population that speak a language other than English. This is almost split between those that speak English “very well” (19.1 percent) and those that do not speak English “very well” (15.3 percent). B1 has the second highest proportion (24.8 percent) of its population that speak a language other than English. More speak English “very well” (15.3 percent) than do not speak English “very well” (9.5 percent). B2 has the third highest proportion (15.3 percent) of its population that speak a language other than English. The numbers are split closely between those who speak English “very well” (8.1 percent) and those who do not speak English “very well” (7.1 percent).

The proportions of population that speak a language other than English tend to get smaller as the population density decreases. Areas C1 (8.1 percent) and C2 (7.3 percent) have relatively low proportions of population that speak a language other than English. The proportions are slightly skewed toward those that speak English “very well”. Area D has by far the lowest proportion (4.3 percent) of its population that speak a language other than English.

Statistical estimates on poverty in **Exhibit C18** (on the following page) show that has almost half (49.1 percent) of the individuals in the state who live below the poverty level live in LWIACAT A. That accounts for 16.1 percent of the total population living in area A. In addition, 17.7 percent

of the female population in area A lives below the poverty level. Both of these proportions are higher than the statewide proportions of the total population (13.7 percent) and the female population (14.9 percent). The proportions for total population and female population are lowest for area B1 (7.6 percent and 8.3 percent) and area B2 (11.4 percent and 12.5 percent).

The statewide proportions for those under 18 years of age, and 65 year of age and older that live below the poverty level are 19.3 percent and 8.6 percent. The proportions are higher in area A (23.9 percent and 11.5 percent) than in any of the other workforce area categories. The proportions are lowest for area B1 (10.7 percent and 5.4 percent) and area B2 (16.0 percent and 6.6 percent).

The statewide proportions of those living in poverty for whites, blacks, and Asians (all one race alone) are 9.9 percent, 29.5 percent, and 11.3 percent respectively. The proportion for Hispanics is 20.1 percent. The highest proportions for whites (13.6 percent) and blacks (44.3 percent) are in area D. The highest proportions for Asians (22.3 percent) and Hispanics (26.3 percent) are in area C2 (Note: It should be recognized that large state universities are present in area C2 and the poverty data for the relatively small total of individuals of a particular race/ethnicity could be distorted by the number of students of that race/ethnicity receiving education at these universities with little or no income). The lowest proportions for whites (6.0 percent), blacks (19.4 percent), Asians (6.7 percent), and Hispanics (15.5 percent) are in area B1.

The poverty data related to educational attainment clearly shows that the higher an individual’s educational achievements, the less likely they are to live in poverty. Of the statewide population that is at least 25 years old, 24.0 percent of those who have attained an education of less than high school live in poverty. Those who have either a high school diploma or GED have a proportion of 12.2 percent, whereas those who have completed some college or have an Associate’s degree have a proportion of 9.2 percent statewide. The statewide proportion for those that have completed at least a Bachelor’s degree is 4.1 percent.

People who are unemployed or did not work full-time are much more likely to be in poverty. Statewide proportions for those in the labor force who are employed and in poverty (6.2 percent) are much less than those who are unemployed in poverty (28.7 percent). The statewide proportions for females are 7.2 percent for employed and 32.4 percent for unemployed.

## Exhibit C18: Population Living Below Poverty Level

|            | Population<br>Below<br>Poverty<br>Level | % of<br>Illinois<br>Total | % of Population Below Poverty Level |               |                             |                                 |                |       | % of Population Below Poverty Level |          |                                      |                    |                       |   |       |      |
|------------|---|---------------------------|-------------------------------------|---------------|-----------------------------|---------------------------------|----------------|-------|-------------------------------------|----------|--------------------------------------|--------------------|-----------------------|---|-------|------|
|            |   |                           | Total<br>Pop                        | Female<br>Pop | Under<br>18 years<br>of age | 65 years<br>of age and<br>older | One Race Alone |       |                                     | Hispanic | Population,<br>25 years<br>and older | Less<br>than<br>HS | HS grad<br>and<br>GED | Some coll.,<br>Associate's<br>Degree or<br>higher |       |      |
|            |   |                           |                                     |               |                             |                                 | White          | Black | Asian                               |          |                                      |                    |                       |   |       |      |
|            |   |                           |                                     |               |                             |                                 |                |       |                                     |          |                                      |                    |                       |   |       |      |
| LWIACAT A  | 839,805                                 | 49.1%                     | 16.4%                               | 17.7%         | 23.9%                       | 11.5%                           | 16.4%          | 10.6% | 28.5%                               | 12.8%    | 20.8%                                | 12.7%              | 25.6%                 | 15.7%   | 12.0% | 5.2% |
| LWIACAT B1 | 170,635                                 | 10.0%                     | 7.6%                                | 8.3%          | 10.7%                       | 5.4%                            | 7.4%           | 6.0%  | 19.4%                               | 6.7%     | 15.5%                                | 5.8%               | 16.7%                 | 8.0%  | 5.3%  | 2.5% |
| LWIACAT B2 | 192,202                                 | 11.2%                     | 11.4%                               | 12.5%         | 16.0%                       | 6.6%                            | 11.3%          | 8.2%  | 32.4%                               | 9.3%     | 20.1%                                | 8.4%               | 22.3%                 | 10.2%   | 7.2%  | 2.7% |
| LWIACAT B  | 362,837                                 | 21.2%                     | 9.2%                                | 10.1%         | 12.9%                       | 5.9%                            | 9.1%           | 6.9%  | 25.6%                               | 7.2%     | 17.3%                                | 6.9%               | 19.4%                 | 9.1%  | 6.2%  | 2.6% |
| LWIACAT C1 | 179,774                                 | 10.5%                     | 14.6%                               | 16.1%         | 22.2%                       | 7.1%                            | 14.3%          | 10.8% | 40.6%                               | 10.5%    | 26.1%                                | 10.7%              | 26.3%                 | 11.5%   | 8.8%  | 3.5% |
| LWIACAT C2 | 126,096                                 | 7.4%                      | 14.6%                               | 15.9%         | 17.7%                       | 6.7%                            | 14.5%          | 12.2% | 38.2%                               | 22.3%    | 26.3%                                | 9.2%               | 27.0%                 | 10.4%   | 8.4%  | 4.3% |
| LWIACAT C  | 305,870                                 | 17.9%                     | 14.6%                               | 16.0%         | 20.5%                       | 6.9%                            | 14.4%          | 11.4% | 39.9%                               | 17.3%    | 26.1%                                | 10.1%              | 26.6%                 | 11.1%   | 8.7%  | 3.9% |
| LWIACAT D  | 201,953                                 | 11.8%                     | 14.7%                               | 16.0%         | 20.5%                       | 7.9%                            | 14.5%          | 13.6% | 44.3%                               | 21.3%    | 23.3%                                | 11.1%              | 24.3%                 | 11.2%   | 9.8%  | 4.9% |
| ILLINOIS   | 1,710,465                               |                           | 13.7%                               | 14.9%         | 19.3%                       | 8.6%                            | 13.6%          | 9.9%  | 29.5%                               | 11.3%    | 20.1%                                | 10.3%              | 24.0%                 | 12.2%   | 9.2%  | 4.1% |
| U.S.       | 44,852,527                              |                           | 14.9%                               | 16.1%         | 20.8%                       | 9.4%                            | 14.8%          | 12.1% | 26.5%                               | 12.1%    | 24.1%                                | 11.4%              | 26.5%                 | 13.1%   | 9.6%  | 4.1% |

|            | % of Population Below Poverty Level |          |        |            |        |                               |   |   |                    |                    |
|------------|-------------------------------------|----------|--------|------------|--------|-------------------------------|---|---|--------------------|--------------------|
|            | Civ. LF,<br>16 years<br>and older   | Employed |        | Unemployed |        | Pop.<br>16 years<br>and older | Worked FT<br>year round,<br>last 12 mnths | Worked PT<br>year round,<br>last 12 mnths | Did<br>not<br>work | Did<br>not<br>work |
|            |                                     | Total    | Female | Total      | Female |                               |   |   |                    |                    |
|            |                                     |          |        |            |        |                               |   |   |                    |                    |
| LW/ACAT A  | 9.6%                                | 6.8%     | 7.6%   | 31.0%      | 35.5%  | 14.3%                         | 2.8%                                      | 17.5%                                     | 26.4%              | 26.4%              |
| LW/ACAT B1 | 4.7%                                | 3.5%     | 3.9%   | 17.6%      | 19.9%  | 6.5%                          | 1.4%                                      | 8.9%                                      | 12.7%              | 12.7%              |
| LW/ACAT B2 | 7.0%                                | 5.3%     | 6.3%   | 24.1%      | 26.6%  | 9.9%                          | 2.2%                                      | 13.5%                                     | 18.3%              | 18.3%              |
| LW/ACAT B  | 5.7%                                | 4.3%     | 5.0%   | 20.3%      | 22.7%  | 8.0%                          | 1.7%                                      | 10.9%                                     | 15.2%              | 15.2%              |
| LW/ACAT C1 | 9.2%                                | 6.5%     | 8.4%   | 34.0%      | 37.8%  | 12.3%                         | 2.6%                                      | 16.1%                                     | 21.0%              | 21.0%              |
| LW/ACAT C2 | 10.3%                               | 8.5%     | 10.4%  | 35.3%      | 39.7%  | 13.7%                         | 2.4%                                      | 24.0%                                     | 20.7%              | 20.7%              |
| LW/ACAT C  | 9.7%                                | 7.4%     | 9.3%   | 34.4%      | 38.4%  | 12.9%                         | 2.5%                                      | 19.5%                                     | 20.9%              | 20.9%              |
| LW/ACAT D  | 9.9%                                | 7.6%     | 9.3%   | 33.6%      | 36.7%  | 13.1%                         | 2.9%                                      | 18.7%                                     | 20.6%              | 20.6%              |
| ILLINOIS   | 8.4%                                | 6.2%     | 7.2%   | 28.7%      | 32.4%  | 12.0%                         | 2.4%                                      | 15.9%                                     | 21.7%              | 21.7%              |
| U.S.       | 9.1%                                | 6.9%     | 7.9%   | 30.4%      | 33.8%  | 13.2%                         | 2.8%                                      | 17.6%                                     | 22.8%              | 22.8%              |

Data Source: American Community Survey (ACS) 5-year estimates (2008-12), S1701

## Exhibit C19: Ratio of Percentage of Households Receiving Food Stamps to Percentage of Total Households

|            | % of HHs rcvg FS | HHs with at least one person 60 or over | HHs with at least one person under 18 | Below Pov. Lvl. in last 12 mnths | HHs with 1 or more people with disability | One race alone |       |       |          |      | Number of workers in family, last 12 months |      |      |
|------------|------------------|---|---------------------------------------|----------------------------------|---|----------------|-------|-------|----------|------|---|------|------|
|            |                  |   |                                       |                                  |   | White          | Black | Asian | Hispanic |      | 0   | 1    | =>2  |
|            |                  |   |                                       |                                  |   |                |       |       |          |      |   |      |      |
| LWIACAT A  | 13.0%            | 0.95                                    | 1.72                                  | 3.41                             | 1.91                                      | 1.00           | 0.50  | 2.23  | 0.58     | 1.42 | 1.84  | 1.37 | 0.56 |
| LWIACAT B1 | 6.0%             | 0.75                                    | 1.62                                  | 6.08                             | 1.99                                      | 0.98           | 0.70  | 3.69  | 0.85     | 2.37 | 1.75  | 1.57 | 0.62 |
| LWIACAT B2 | 9.3%             | 0.61                                    | 1.66                                  | 4.88                             | 1.76                                      | 0.99           | 0.70  | 3.39  | 0.74     | 1.83 | 1.77  | 1.62 | 0.52 |
| LWIACAT B  | 7.4%             | 0.68                                    | 1.63                                  | 5.55                             | 1.89                                      | 0.99           | 0.70  | 3.58  | 0.73     | 2.06 | 1.81  | 1.61 | 0.57 |
| LWIACAT C1 | 11.9%            | 0.51                                    | 1.84                                  | 4.25                             | 1.69                                      | 0.99           | 0.73  | 3.18  | 0.53     | 1.78 | 1.48  | 1.59 | 0.48 |
| LWIACAT C2 | 9.4%             | 0.56                                    | 1.94                                  | 4.02                             | 1.90                                      | 0.99           | 0.82  | 3.52  | 0.22     | 1.65 | 1.39  | 1.73 | 0.51 |
| LWIACAT C  | 10.8%            | 0.53                                    | 1.88                                  | 4.16                             | 1.77                                      | 0.99           | 0.77  | 3.35  | 0.34     | 1.81 | 1.46  | 1.64 | 0.49 |
| LWIACAT D  | 12.0%            | 0.54                                    | 1.83                                  | 3.98                             | 1.62                                      | 0.99           | 0.93  | 3.38  | 0.71     | 1.56 | 1.24  | 1.71 | 0.50 |
| ILLINOIS   | 10.8%            | 0.76                                    | 1.70                                  | 4.09                             | 1.85                                      | 0.99           | 0.66  | 2.73  | 0.60     | 1.63 | 1.71  | 1.53 | 0.53 |
| U.S.       | 11.4%            | 0.74                                    | 1.68                                  | 3.84                             | 1.83                                      | 0.99           | 0.78  | 2.23  | 0.58     | 1.71 | 1.64  | 1.47 | 0.54 |

Data Source: American Community Survey (ACS) 5-year estimates (2008-12), S2201

Data for the Illinois population that is at least 16 years of age show that 2.4 percent of the people who work full-time over the last 12 months are living in poverty. Working part-time over the last 12 months raises the proportion to 15.9 percent, while not working at all over the last 12 months raises the proportion to 21.7 percent.

Statistical estimates in **Exhibit C19** show that LWIACAT A has the highest proportion (13.0 percent) of households in a local workforce investment area category that receive food stamps. Area D (12.0 percent) follows close behind as does C1 (11.9 percent). Areas B2 (9.3 percent) and C2 (9.4 percent) have much lower proportions with B1 significantly lower at 6.0 percent.

Ratios of the proportion of households with a particular characteristic that receive food stamps to the proportion of total households receiving food stamps provide insight to the importance of that characteristic in receiving food stamps. For instance, households that are below the poverty level in the last 12 months are much more likely to be receiving food stamps (Statewide ratio is equal to 4.09 where anything over 1.00 implies more likely).

Households with at least one person under 18 are more likely to be receiving food stamps for the statewide (1.70) and national (1.68) averages. Area C2 has the highest ratio of any workforce area category at 1.94 (almost twice as likely). Conversely, households with at least one person of age 60 or over is less likely to be receiving food stamps than the average household statewide (0.76). Area A has a significantly higher ratio (0.95) than any other workforce area category for households containing a senior, 60 or over. Area C1 is at the low end with a ratio of 0.51.

Households that have one or more individuals with a disability have a ratio of 1.85 at the statewide level. The highest ratio is 1.99 for area B1 and the lowest is 1.62 for area D. Race and ethnicity are important factors as well. Blacks (one race alone) have a ratio of 2.73 statewide. This ratio varies from 2.23 in area A to 3.69 in area B1. Hispanics have a ratio of 1.63 statewide with highs of 2.37 in area B1 to a low of 1.42 in area A. Both whites (one race alone) and Asians (one race alone) have statewide averages well below 1.00.

The likelihood that a household receives food stamps is very dependent on the number of workers in the family over the last 12 months.

Families with two or more workers have a statewide average ratio of 0.53 meaning they are much less likely to receive food stamps. Families with no workers over the last 12 months have a statewide ratio of 1.71 and families with only one worker have a statewide ratio of 1.53. What is interesting is that households in areas C1, C2 and D with no workers in the last 12 months are less likely to receive food stamps than those with one worker. The exact opposite is true in areas A, B1, and B2.

The data for health insurance coverage is analyzed at the state level only. A review of sub-state data concluded that the determining factors for health insurance coverage were consistent across workforce area categories and so a statewide analysis would be sufficient.

Data in **Exhibit C20** (on the following page) show the proportions of the entire state population by demographic characteristic as well as the proportions of the state's population that are not covered by health insurance. Ratios of the proportion of those without health insurance coverage (given a particular demographic characteristic) relative to the proportion of the entire population are also included. A ratio in the table equal to 1.0 implies that an individual in a particular demographic group is no more or less likely to be without health insurance because they fit into a particular group. As an example someone in the 19 – 25 age group in Illinois is 2.14 times the proportion of the population without health insurance coverage compared to the proportion of the total population that is without insurance.

Continuing with the age group demographics, the data show that individuals under the age of 18 are 0.33 times as likely not to be covered by health insurance relative to the total



## Exhibit C20: Health Insurance Coverage of the Population

|   | AGE      |          |              |          | GENDER |        | RACE  |       |       |            | HISPANIC | NATIVITY and CITIZENSHIP |                     |               |                    |
|---|----------|----------|--------------|----------|--------|--------|-------|-------|-------|------------|----------|--------------------------|---------------------|---------------|--------------------|
|   | Under 18 | 18 to 64 | 65 and older | 19 to 25 | Male   | Female | White | Black | Asian | Other Race |          | Native Born              | Naturalized Citizen | Not a Citizen | Total Foreign Born |
| <b>(1) Proportions of Total Population</b>  |          |          |              |          |        |        |       |       |       |            |          |                          |                     |               |                    |
| ILLINOIS  | 24.6%    | 63.1%    | 12.3%        | 9.6%     | 48.8%  | 51.2%  | 74.1% | 14.5% | 4.8%  | 6.6%       | 15.9%    | 86.1%                    | 6.3%                | 7.6%          | 13.9%              |
| U.S.  | 24.3%    | 62.8%    | 12.9%        | 9.7%     | 48.8%  | 51.2%  | 76.4% | 12.7% | 5.0%  | 5.9%       | 16.8%    | 89.4%                    | 5.9%                | 7.4%          | 13.3%              |
| <b>(2) Proportions of Population Not Insured</b>  |          |          |              |          |        |        |       |       |       |            |          |                          |                     |               |                    |
| ILLINOIS  | 8.1%     | 90.8%    | 1.1%         | 20.6%    | 55.6%  | 44.4%  | 59.9% | 19.6% | 5.4%  | 15.1%      | 32.5%    | 65.6%                    | 7.0%                | 27.4%         | 34.4%              |
| U.S.  | 13.2%    | 86.0%    | 0.8%         | 19.5%    | 53.8%  | 46.2%  | 67.2% | 14.9% | 5.0%  | 12.9%      | 34.1%    | 73.0%                    | 6.3%                | 23.4%         | 29.6%              |
| <b>Ratios of Proportions for Individual Characteristics (Population Not Insured to Total Population) [(2) to (1)]</b> |          |          |              |          |        |        |       |       |       |            |          |                          |                     |               |                    |
| ILLINOIS  | 0.33     | 1.44     | 0.09         | 2.14     | 1.14   | 0.87   | 0.81  | 1.35  | 1.13  | 2.29       | 2.04     | 0.76                     | 1.11                | 3.60          | 2.47               |
| U.S.  | 0.54     | 1.37     | 0.06         | 2.01     | 1.10   | 0.90   | 0.88  | 1.17  | 1.00  | 2.18       | 2.02     | 0.82                     | 1.06                | 3.15          | 2.22               |

|   | EDUCATIONAL ATTAINMENT |              |                             |                      | EMPLOYMENT STATUS |        |                    | WORK EXPERIENCE              |                                |              |
|---|------------------------|--------------|-----------------------------|----------------------|-------------------|--------|--------------------|------------------------------|--------------------------------|--------------|
|   | Less than HS           | HS Grad, GED | Some coll. or Assoc. Degree | Bach. Deg. Or Higher | Employed          | Unemp. | Not in Labor Force | Worked FT All past 12 mnths. | Worked < FT All past 12 mnths. | Did not Work |
| <b>(1) Proportions of Total Population</b>  |                        |              |                             |                      |                   |        |                    |                              |                                |              |
| ILLINOIS  | 12.7%                  | 27.1%        | 28.8%                       | 31.5%                | 62.6%             | 6.6%   | 30.8%              | 43.7%                        | 26.2%                          | 30.2%        |
| U.S.  | 14.0%                  | 28.1%        | 29.1%                       | 28.8%                | 61.0%             | 6.0%   | 32.9%              | 42.7%                        | 25.6%                          | 31.7%        |
| <b>(2) Proportions of Population Not Insured</b>  |                        |              |                             |                      |                   |        |                    |                              |                                |              |
| ILLINOIS  | 26.0%                  | 33.7%        | 26.3%                       | 14.0%                | 57.4%             | 17.9%  | 24.7%              | 31.8%                        | 38.5%                          | 29.7%        |
| U.S.  | 27.2%                  | 33.9%        | 26.9%                       | 12.0%                | 59.6%             | 15.9%  | 24.5%              | 33.6%                        | 39.3%                          | 27.1%        |
| <b>Ratios of Proportions for Individual Characteristics (Population Not Insured to Total Population) [(2) to (1)]</b> |                        |              |                             |                      |                   |        |                    |                              |                                |              |
| ILLINOIS  | 2.05                   | 1.25         | 0.91                        | 0.44                 | 0.92              | 2.71   | 0.80               | 0.73                         | 1.47                           | 0.98         |
| U.S.  | 1.94                   | 1.21         | 0.93                        | 0.42                 | 0.98              | 2.64   | 0.74               | 0.79                         | 1.54                           | 0.86         |

| HOUSEHOLD INCOME (2012 Inflation Adj. \$s)       |             |                   |                   |                   |                 |
|--|-------------|-------------------|-------------------|-------------------|-----------------|
|  | Under 25K\$ | 25K\$ to \$49,999 | 50K\$ to \$74,999 | 75K\$ to \$99,999 | 100K\$ and over |
| <b>(1) Proportions of Total Population</b>       |             |                   |                   |                   |                 |
| ILLINOIS   | 16.3%       | 20.6%             | 18.6%             | 14.7%             | 29.9%           |
| U.S.   | 17.8%       | 22.3%             | 18.9%             | 13.9%             | 27.1%           |
| <b>(2) Proportions of Population Not Insured</b> |             |                   |                   |                   |                 |
| ILLINOIS   | 27.3%       | 30.6%             | 19.3%             | 10.8%             | 12.0%           |
| U.S.   | 28.0%       | 32.1%             | 19.2%             | 9.6%              | 11.1%           |
| <b>Ratios of Proportions (2) to (1)</b>          |             |                   |                   |                   |                 |
| ILLINOIS   | 1.68        | 1.49              | 1.04              | 0.73              | 0.40            |
| U.S.   | 1.58        | 1.44              | 1.01              | 0.69              | 0.41            |

Data Source: American Community Survey (ACS) 5-year estimates (2008-12), S2701

Note: Total Civilian Noninstitutionalized Population used in denominator of AGE, GENDER, RACE, HISPANIC, and NATIVITY and CITIZENSHIP proportion calculations

Note: Total Civilian Noninstitutionalized Population (25 and older) used in denominator of EDUCATIONAL ATTAINMENT proportion calculations

Note: Total Civilian Noninstitutionalized Population (18 and older) used in denominator of EMPLOYMENT STATUS and WORK EXPERIENCE proportion calculations

Note: Total Civilian Household Population used in denominator of HOUSEHOLD INCOME proportion calculations

population. People of age 65 and older are 0.09 times as likely not to be covered by health insurance. Children and the elderly in these cases are much more likely to be covered by government health insurance programs. Those in the 19 – 25 age group generally do not have a government program to cover them if they do not have their own coverage.

Males are less likely, on average, than females to be covered by health insurance. The highest ratio among races is the category other (covers one race alone, other than white, black and Asian; and mixed races). The other race category is 2.29 times more likely to be without health insurance coverage compared to the proportion of the total population without coverage. Blacks (one race alone) also have a high ratio of 1.35 in the state of Illinois, which is higher than the national average for blacks. Hispanics in Illinois have a ratio of 2.04. Foreign born individuals have an overall ratio of 2.47 in Illinois, but the number decreases to 1.11 if the individual is a naturalized citizen. The ratio increases to 3.60 in Illinois if the individual is not a citizen.

The less education an individual has completed, the more likely they are not to be without health insurance coverage. Adults (25 and over) with less than a high school education account for 2.05 times the proportion of the population that is not covered by health insurance compared to the proportion of the total population. The ratio drops to 1.25 for those individuals that have completed a high school education or GED, then to 0.91 for the group of people with some college or an Associate's degree. The ratio is 0.44 for individuals that have a Bachelor's degree or higher. The data support the premise that the higher education level an individual has attained, the more likely it is that they are covered by health insurance.

Employment is also a determining factor in whether an individual is covered by health insurance. Adults (18 and over) who are employed are 0.92 times as likely not to be covered by health insurance compared to the total population. The ratio increases to 2.71 for individuals who are unemployed. So being without a job (but part of the labor force) means an individual is much more likely to be without health insurance coverage. The ratio drops to 0.80 for those who are not considered as part of the labor force. Many of the individuals

in the latter category would be retired and/or in the age group of 65 and older.

Adults (18 and over) who worked full-time for all of the last 12 months are more likely to be covered by health insurance than those who worked less than full-time over the last year. Full-time workers are 0.73 times as likely to be without health insurance coverage compared to the total population. The ratio increases to 1.47 for people who worked, but less than full-time. People who did not work in the last 12 months have a ratio of 0.98.

The likelihood of an individual being without health insurance increases as household income decreases. Individuals who live in a household with less than \$25,000 of income are 1.68 times as likely to not be covered by health insurance relative to the total population. The ratio decreases to 1.49 for household incomes between \$25,000 and \$49,999, 1.04 for household incomes between \$50,000 and \$74,999, 0.73 for household incomes between \$75,000 and \$99,999, and 0.40 for household incomes of at least \$100,000.

## Conclusion

A review of available data has demonstrated that the Illinois' economy consists of multiple sub-economies. Contained within Illinois is one of the country's largest urban centers complete with racial, ethnic, and economic diversity; large, complex suburban areas that support the central labor market of their area while also maintaining significant economic activity of their own; smaller metropolitan areas that act as centers of economic activity for the surrounding area; and other areas that are generally rural with smaller communities within their boundaries where business activity takes place. It would follow that effective workforce development policy may be different from area to area.

These various economic areas can be represented by combinations of the county-based local workforce investment areas and have been separated into a small number of manageable categories for this report. By analyzing the economic and demographic data for these sub-state categorical areas separately it is hoped that workforce development staff can utilize this information to help them with future policy decisions.

## Section D. Sub-State Industry Short Stories



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### Horizontal Hydraulic Drilling

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The possibility of horizontal hydraulic drilling or “fracking” for oil and gas has recently become a central issue of discussion in the southern and southeastern portions of Illinois. Hydraulic fracking uses a mixture of water, chemicals and sand to crack open previously inaccessible underground rock formations to release trapped oil and gas.

Although activity in the oil fields has diminished since the mid-twentieth century, the possibility of a resurgence in drilling activity has caused a great deal of excitement in this primarily rural region. Proponents of horizontal hydraulic drilling are expecting a large number of new jobs with new residents for this depressed area. These jobs along with new revenues for land owners could create an economic boom. Opponents are warning about water and air pollution and other negative environmental issues.

The State of Illinois Legislature passed the Hydraulic Fracking Regulatory Act in 2013 with support from oil and gas industry officials and environmentalists. Illinois is attempting to establish comprehensive safeguards before “fracking” begins. The Department of Natural Resources is currently working on the guidelines and rules for hydraulic drilling. Meanwhile, opponents are organizing and stating their concerns at public meetings and in the press.

Thus far, most of the economic activity has involved leasing agents (many from other states) searching through public records for land and mineral rights ownership and contacting the owners. As of early 2014, horizontal drilling has started at only a few locations in southern and southeastern Illinois. One interesting development is that an established Illinois company in Lawrence County began drilling for oil in December 2013 on the campus of Indiana State University in downtown Terre Haute, Indiana.

*By Dennis Hoffman, Labor Market Economist for southern Illinois region*



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### Champaign-Urbana MSA – A Growing Technology Center in the State of Illinois

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From the building of one of the nation’s first supercomputers to the development of a graphical web browser that helped expand the use of the Internet to producing software that improves the format used for transmitting television signals, the Champaign-Urbana MSA has become an important technology center. The metropolitan area is home to the University of Illinois, which has collaborated with local companies and governments, and has contributed to the research and development of new technologies.

Contributing to the attraction of technology companies is the Research Park at the University of Illinois. The park combines the resources of the University of Illinois with the commercial expertise of private business. The companies, faculty, and especially the students benefit from this business relationship.

The park also has an incubator, which has helped grow new companies based on research at the university. According to reports, over 1,000 new jobs have been directly added to the local community, with more jobs created as an indirect affect of the Research Park.

The efforts in the Champaign-Urbana MSA to build and grow high-tech companies have benefited the region’s economy and have provided valuable work experience for university students. The region has received national recognition by Forbes for successes in business education and its population’s high education level. The university and community have made a concerted effort to retain the talent developed locally, even as national and international companies often recruit its students.

The Research Park has allowed national companies to establish research facilities in the region, which provides employment opportunities for university students and graduates. By keeping talent in the region, the community will be able to attract new companies to the area. The future looks positive for the region as it continues to build employment opportunities for its residents through partnerships with the University of Illinois, businesses, and local governments.

*By Tom Austin, Labor Market Economist for northern Illinois region*

### Wine Industry

The wine and grape production industries in Illinois have experienced substantial growth in the past two decades. This expansion has been especially true in southern Illinois. Although a small industry with about 400 workers and over 1,000 acres in grape production, the wine industry was non-existent before the 1990s. In southern



Illinois the number of wineries has increased from five in 1990 to 37 by 2013.

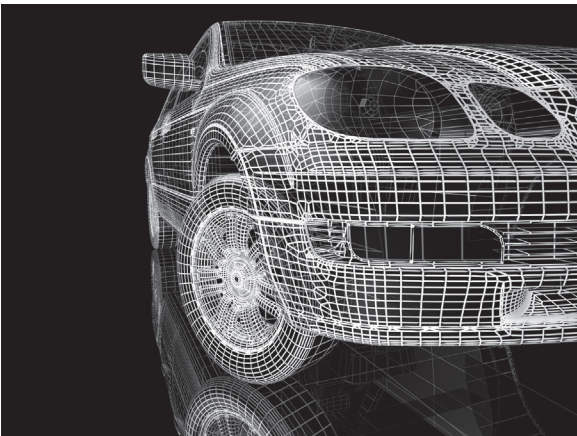
The development of wineries and vineyards has boosted economic activity in many rural areas. The increase in sales has benefited local and state tax revenues. Events at the wineries such as weddings, concerts, wine tastings, and private parties promote tourism and sales. Two wine trails have been established in scenic Shawnee Forest in southern Illinois that complement its many outdoor activities such as hiking, rock climbing, zip lining, and golfing.

A number of bed and breakfasts have opened in the area increasing the options for accommodations. Without a doubt the growth of the wine industry has boosted the southern Illinois economy and is expected to continue to contribute to the re-vitalization of the region.

*By Dennis Hoffman, Labor Market Economist for southern Illinois region*

### Rockford Area Manufacturing Helps Transport the World

While the overall manufacturing industry has experienced a decline in employment, the transportation manufacturing



sector in the Rockford area is expanding. The media has noted in several news articles that companies engaged in the manufacture and assembly of aerospace products have increased employment and production in the Rockford area.



Woodward, a manufacturer of control systems, is building an additional \$300 million manufacturing campus and will be expanding employment by 1,000 to meet its future production demands.<sup>1</sup> GE Aviation, another Rockford area company, is increasing its building space as it raises its production for systems needed for private and corporate aircraft. B/E Aerospace's Rockford Aircraft EcoSystems, a company grown at the local incubator EIGERlab and funded by B/E Aerospace, expanded its facilities in 2011 with a \$4 million, 38,000-square-foot building.<sup>2</sup>

The region's auto manufacturing has also experienced employment gains. The Chrysler Company invested \$700 million in the Belvidere auto assembly plant in 2012. This investment, following significant layoffs at the plant, brought the plant back to three shifts and an employment level of 4,500. The plant produces three car models and has a great performance record due to its productivity.<sup>3</sup>

Area companies also play an important role in the production of parts used by many automakers. While their role has been reduced over time, Rockford area companies produce many of the fasteners used by car manufacturers. Companies in the area build cars and support the transportation industry through the production of auto parts.

Production of parts for smaller vehicles used for sports and leisure transportation is also done in the area. Companies such as Rockford Process Control and Rockford Acromatic Products produce a variety of parts for the power sports industry, which include ATVs and motorcycles.<sup>4</sup> Rockford Process Control makes parts for the iconic motorcycle company Harley Davidson.<sup>5</sup>

One of the metro area's most impressive contributions to small vehicle transportation is actually out of this world. The Forest City Gear company produced the gears and actuators on NASA's Curiosity rover, which was landed on the planet Mars.<sup>6</sup>

Therefore, whatever you are driving or riding in, there is a good chance that parts for the plane, car, or sports vehicle were made in the greater Rockford area. This ability to make cars or parts has made the Rockford metropolitan area a strong industrial center and a leader in the transportation manufacturing sector.

*By Tom Austin, Labor Market Economist for northern Illinois region*

## Endnotes

1. [http://articles.chicagotribune.com/2013-09-08/business/ct-biz-0908-rockford-aviation-20130908\\_1\\_woodward-inc-b-e-aerospace-aviation](http://articles.chicagotribune.com/2013-09-08/business/ct-biz-0908-rockford-aviation-20130908_1_woodward-inc-b-e-aerospace-aviation)
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